

**SCHOOL DISTRICT OF  
HAINESPORT TOWNSHIP**

HAINESPORT BOARD OF EDUCATION  
Hainesport, New Jersey  
County of Burlington

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**HAINESPORT, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

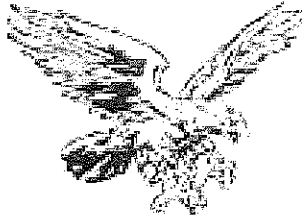
**Prepared by**

**Hainesport Township Board of Education  
Finance Department**



**INTRODUCTORY SECTION**





## Hainesport Township School

211 Broad Street, P.O. Box 538

Hainesport, NJ 08036

(609) 267-1316

Fax: (609) 702-0142

### Superintendent's Office Ext. 203

Chief School Administrator  
Dr. Joseph S. Campisi

Secretary  
Cora Schiers

### Main Office Ext. 201

Assistant Principal  
Christopher Giannotti

Secretary  
Margaret Fuffy

Secretary  
Nancy Rivera

### Business Office Ext. 215

Business Administrator  
Nicholas Bice

Assistant to BA  
Pat Gwynne

Office Clerk  
Jodi-Lynn Flaherty

### Child Study Team Office Ext. 209

Assistant Principal of Special  
Services & Curriculum  
Jennifer Mack

Secretary  
Meryl Pellicore

### Facility Manager's Office Ext. 180

Facility Manager  
Jules Krause

### Guidance Office Ext. 239 & 140

Counselors  
Patricia Schanely  
Rose Wenz

November 18, 2013

Honorable President and  
Members of the Board of Education  
Township of Hainesport School District  
County of Burlington  
Hainesport, New Jersey 08036

Dear President and Members:

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

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

- 1) **REPORTING ENTITY AND ITS SERVICES:** Hainesport 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 this report. The Hainesport Township Board of Education and its school constitute the district's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre K through 8. These include regular and disabled youngsters. The District completed the 2012-13 fiscal year with an enrollment of 688 students. The following details the changes in the student enrollment of the District over the last five years.

## AVERAGE DAILY ENROLLMENT

Fiscal Year	Student Enrollment	Percent Change
2012-2013	688	-0.86%
2011-2012	694	-0.86%
2010-2011	700	0.57%
2009-2010	696	3.41%
2008-2009	673	3.85%

- 2) **ECONOMMIC CONDITION AND OUTLOOK:** The economy, although somewhat improved, continues to be troublesome for many of our residents. There is no definitive housing development on the near horizon. In fact, due to a demographic change in our community, the school district has actually experienced a slight decline in student population from last year to the current year.
  
- 3) **MAJOR INITIATIVES:** The Hainesport Township School District has focused on increasing student achievement in Language Arts. The K-8 curriculum has just been updated and implemented. Administration is working with teachers to increase the rigor of the program delivery. The district has partnered for the second year in a row with the University of Pennsylvania's "Penn Literacy Network", focusing on enhancing the opportunity for students to achieve proficient or advanced proficient on the NJASK and improve their writing skills. There has been a huge push on increasing the district's technology status, through a Board of Education commitment to totally rebuilding the computer backbone of the building, establishing a wireless network and increasing internet capability. Future plans include individual classroom updates with the addition of Smart Boards, document cameras and student computer devices.
  
- 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 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 recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

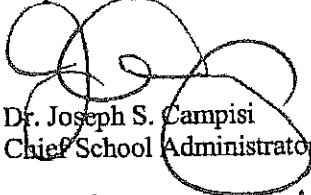


improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.


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

- 6) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.
- 7) **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 1. 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 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.
- 8) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.
- 9) **OTHER INFORMATION:** State statutes require an annual audit by an independent certified public accountant. The accounting firm of Holman & Frenia, Certified Public Accountants, was selected by the Board. The auditor's report on the basic financial statements and combining 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.
- 10) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Hainesport Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of Hainesport School District and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



Dr. Joseph S. Campisi  
Chief School Administrator



Nicholas Bice  
Board Secretary/Business Administrator



# Organizational Chart

## Board of Education

**Chief School Administrator**

**Board Secretary**

**Business Administrator**

**Supervisor of Building, Grounds  
& Transportation**

**Custodians**

**Assistants**

**Food Services**

**Supervisor of Special Services**

**Child Study Team Members**

**Child Study Team Secretary**

**Professional Staff**

**Secretary**

**Clerk**

**Paraprofessionals**

**Technology Coordinator**

**Superintendent's Secretary**

1st Reading: August 26, 2010  
2nd Reading: September 23, 2010

Adoption: Feb. 3, 2000  
Reviewed: March 5, 2009  
Revised: December 10, 2009  
September 23, 2010



**HAINESPORT TOWNSHIP BOARD OF EDUCATION**  
211 Broad Street  
Hainesport, New Jersey 08036

**ROSTER OF OFFICIALS**  
**JUNE 30, 2013**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
Ron Napoli, President	2013
Michael Morelli, Vice President	2014
Jason Cardonick	2013
Lisa Collins	2015
Rosa Guilardi	2015
Mary Jean Kneringer	2015
Keith Peacock	2014
Peter Scarpati	2013
Jonathan Soltesz	2014

**OTHER OFFICIALS**

Dr. Joseph S. Campisi, Chief School Administrator

Nicholas Bice, Board Secretary/Business Administrator

Sharon Deviney, Treasurer

Capehart & Scatchard, Solicitor

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**  
211 Broad Street  
Hainesport, New Jersey 08036

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

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

**ATTORNEY**

Capehart & Scatchard  
8000 Midlantic Drive, Suite 300  
Mt. Laurel, New Jersey 08054

**ARCHITECT**

Regan Young England Butera  
486 High Street  
Mt. Holly, New Jersey 08060

**OFFICIAL DEPOSITORY**

Bank of America  
Mt. Holly, New Jersey 08060

TD Bank  
Mt. Holly, New Jersey 08060

Beneficial Bank  
Moorestown, New Jersey 08057

Fulton Bank  
Mount Laurel, New Jersey 08054

**FINANCIAL SECTION**







HOLMAN | FRENIA  
ALLISON, P.C.

Certified Public Accountants & Consultants

10 Allen Street, Suite 2B, Toms River, NJ 08753 • Tel: 732.797.1333  
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612  
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800  
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090  
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

[www.hfacpas.com](http://www.hfacpas.com)

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Hainesport Township School District  
County of Burlington  
Hainesport, New Jersey 08036

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Hainesport Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the District's 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 general accepted in the United State of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

## Opinions

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

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 10 through 17 and 49 through 60 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 Hainesport Township Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2012, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

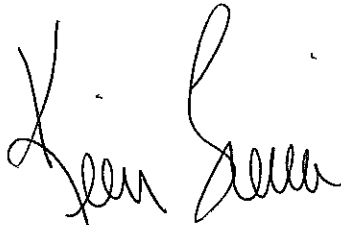
The introductory section, comparative totals for June 30, 2012, and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2013, on our consideration of the Hainesport Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* in considering the Hainesport Township Board of Education's internal control over financial reporting and compliance.

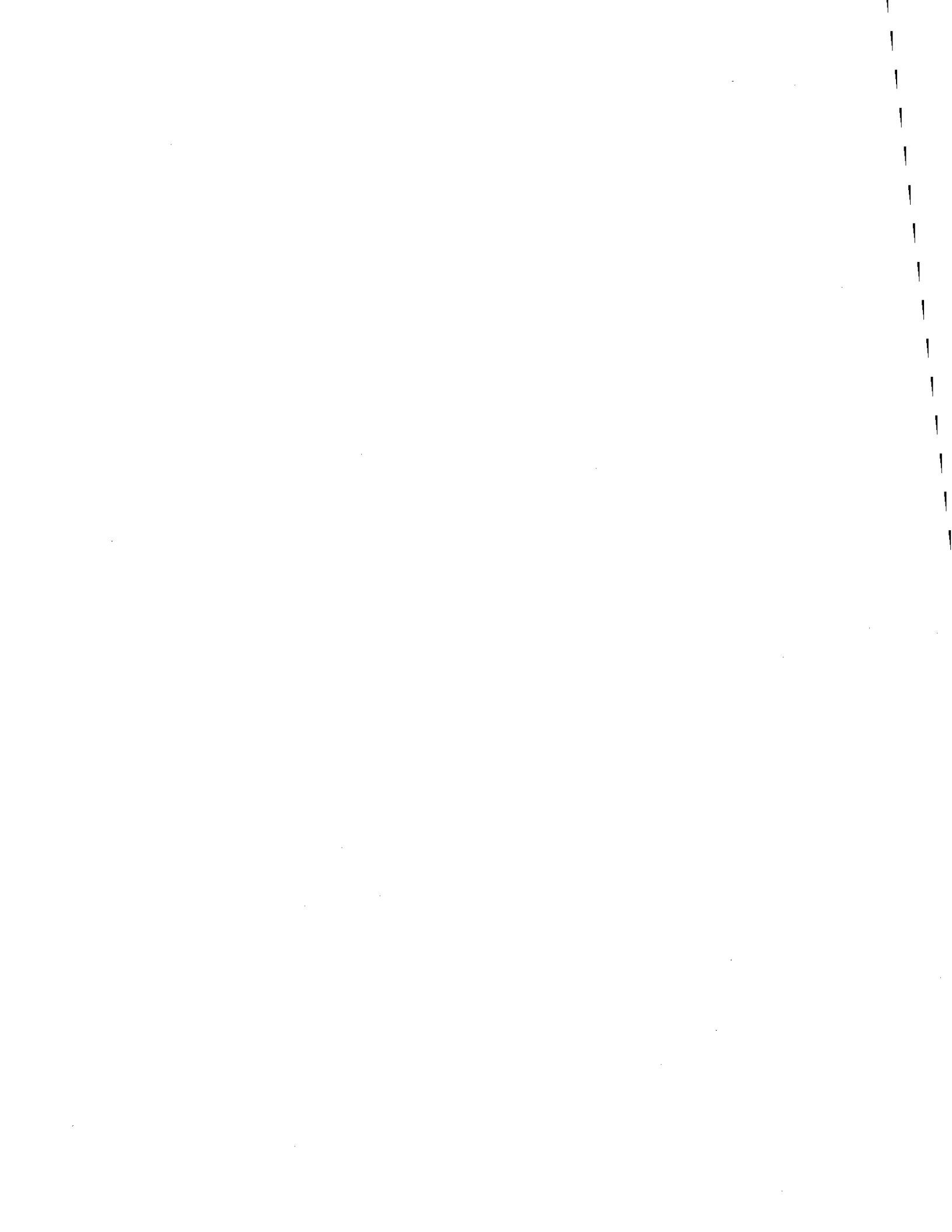
Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "Kevin Frenia", is written over a faint, illegible printed name.

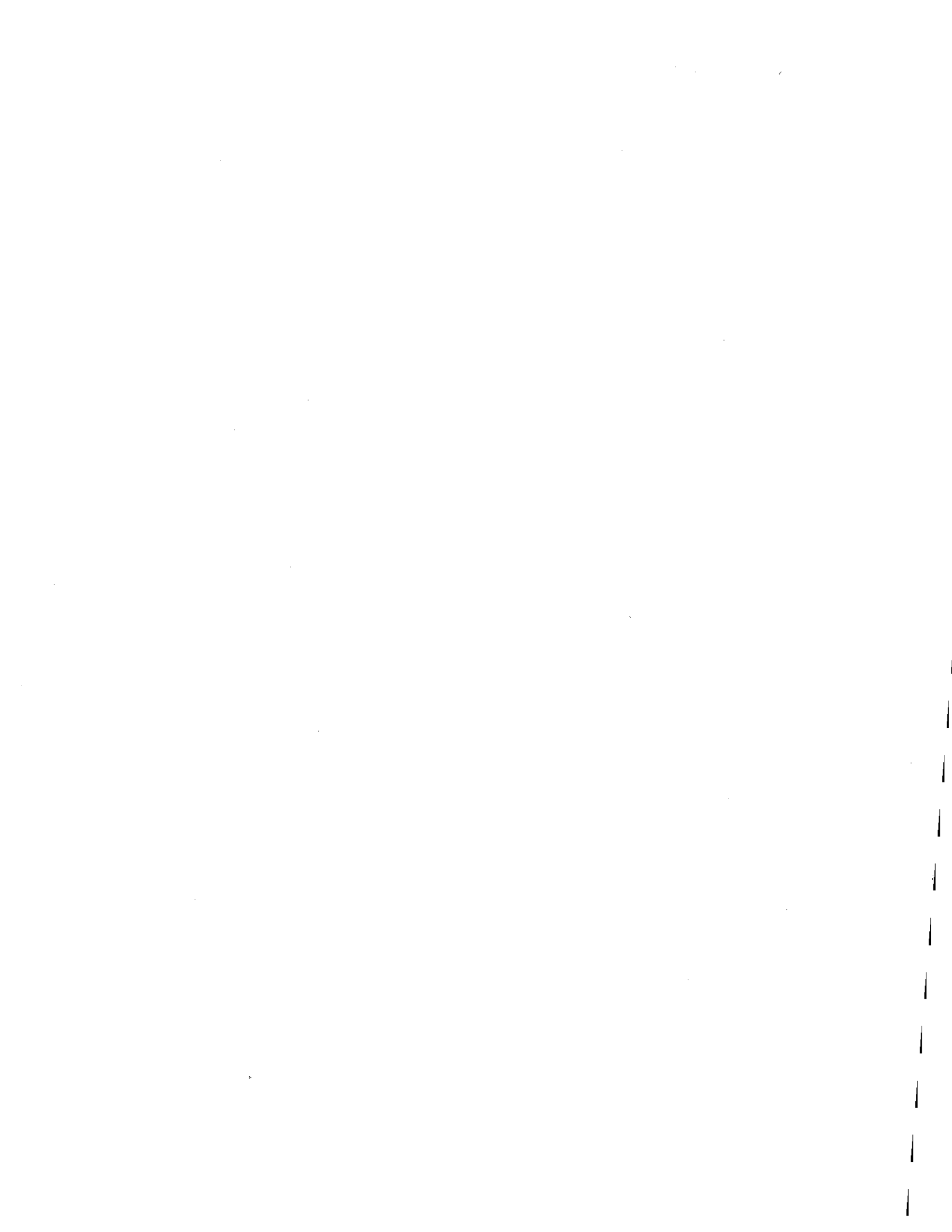
Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
November 18, 2013



**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis



**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Fiscal Year Ended June 30, 2013**

**UNAUDITED**

As management of the Board of Education of the Hainesport Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$6,781,081 (net position).

Governmental and business type activities have an unrestricted net position deficit of \$286,735. The accounting treatments in the governmental funds for compensated absences payable, accrued interest payable, the capital improvement program and the last 2 state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.

The total net position of the School District increased by \$375,755, or a 5.83% increase from the prior fiscal year-end balance.

Fund balance of the School District's governmental funds decreased by \$292,362. The majority of the decrease was due to payments made in the capital projects fund as a result of the \$9,625,202 capital project approved by the voters of Hainesport Township.

Business-type activities have unrestricted net position of \$16,048 which may be used to meet the School District's ongoing obligations of the enterprise-related activities (Food Services Program).

The School District's long-term obligations decreased by \$582,139 which, is the result of current year payments on existing debt obligations and capital leases payable.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-wide Financial Statements**

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

### **Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.



*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

### Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

#### District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements and equipment. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near term or in the future. Current liabilities include accounts payable, accrued interest expense on long-term debt, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2013. Long-term liabilities, such as long-term obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2013.

The assets of the primary government activities exceeded liabilities by \$6,781,081 with an unrestricted deficit balance of \$302,783. As mentioned earlier, deficit unrestricted net position are primarily due to accounting treatment for compensated absences payable, the capital improvement program, accrued interest payable, the last 2 state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

The net position of the primary government do not include internal balances.

A net investment of \$5,445,493 in land, improvements, buildings, equipment and vehicles provide services to the School District's students. Net position of \$1,370,000 have been restricted as follows:

Other Purposes	\$ 1,084,761
Unrestricted	(286,735)
Capital projects	706,716
Debt services	(134,742)

**Hainesport Township School District  
Comparative Summary of Net Position  
As of June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		District-Wide	
	2013	2012	2013	2012	2013	2012
<b>Assets:</b>						
Current Assets	\$ 2,217,707	\$ 2,647,514	\$ 16,048	\$ 21,537	\$ 2,233,755	\$ 2,669,051
Capital Assets	13,209,690	13,111,060	18,364	24,825	13,228,054	13,135,885
<b>Total Assets</b>	<b>15,427,397</b>	<b>15,758,574</b>	<b>34,412</b>	<b>46,362</b>	<b>15,461,809</b>	<b>15,804,936</b>
<b>Liabilities:</b>						
Current Liabilities	333,356	1,048,360	-	-	333,356	1,048,360
Noncurrent Liabilities	8,312,960	8,316,838	-	-	8,312,960	8,316,838
<b>Total Liabilities</b>	<b>8,646,316</b>	<b>9,365,198</b>	<b>-</b>	<b>-</b>	<b>8,646,316</b>	<b>9,365,198</b>
<b>Net Position</b>	<b>6,781,081</b>	<b>6,393,376</b>	<b>34,412</b>	<b>46,362</b>	<b>6,815,493</b>	<b>6,439,738</b>
<b>Net Position Consists of:</b>						
Invested in Capital Assets, Net of Related Debt	5,427,129	4,760,097	18,364	24,825	5,445,493	4,784,922
Restricted Net Position	1,656,735	1,965,048	-	-	1,656,735	1,965,048
Unrestricted Net Position/(Deficit)	(302,783)	(331,769)	16,048	21,537	(286,735)	(310,232)
<b>Net Position</b>	<b>\$ 6,781,081</b>	<b>\$ 6,393,376</b>	<b>\$ 34,412</b>	<b>\$ 46,362</b>	<b>\$ 6,815,493</b>	<b>\$ 6,439,738</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$387,705 during the current fiscal year, thereby accounting for all the addition of the district. Key elements of the increase in net position for governmental activities are as follows:

Reduction in Bonds Payable	\$578,262
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**Business-type Activities**

Business Type activities decreased the School District's net position by \$11,950.

**Hainesport Township School District  
Comparative Schedule of Changes in Net Position  
As of June 30, 2013 and 2012**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>District-Wide</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues						
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 153,668	\$ 167,297	\$ 153,668	\$ 167,297
Operating Grants & Contributions	220,489	255,956	71,069	64,733	291,558	320,689
General Revenues:						
Property Taxes	7,751,611	7,725,974	-	-	7,751,611	7,725,974
State Aid	2,319,140	2,193,908	-	-	2,319,140	2,193,908
Tuition	87,086	66,000	-	-	87,086	66,000
Other Revenues	47,914	55,616	16	23	47,930	55,639
<b>Total Revenues</b>	<b>10,426,240</b>	<b>10,297,454</b>	<b>224,753</b>	<b>232,053</b>	<b>10,650,993</b>	<b>10,529,507</b>
Expenses						
Governmental Activities						
Instruction	4,015,786	3,937,002	-	-	4,015,786	3,937,002
Tuition	126,004	109,621	-	-	126,004	109,621
Related Services	1,018,276	929,005	-	-	1,018,276	929,005
Administrative Services	662,013	664,059	-	-	662,013	664,059
Operations & Maintenance	591,871	637,909	-	-	591,871	637,909
Transportation	483,172	451,866	-	-	483,172	451,866
Unallocated Benefits	2,405,015	2,223,838	-	-	2,405,015	2,223,838
Special Schools	18,092	2,736	-	-	18,092	2,736
Interest on Long-Term Debt	332,612	330,103	-	-	332,612	330,103
Other	385,694	183,661	-	-	385,694	183,661
Business-Type Activities						
Food Service Operations	-	-	236,703	244,464	236,703	244,464
<b>Total Expenses</b>	<b>10,038,535</b>	<b>9,469,800</b>	<b>236,703</b>	<b>244,464</b>	<b>10,275,238</b>	<b>9,714,264</b>
<b>Increase (Decrease) in Net Position Before Transfers</b>	<b>387,705</b>	<b>827,654</b>	<b>(11,950)</b>	<b>(12,411)</b>	<b>375,755</b>	<b>815,243</b>
Changes in Net Position						
Net Position July 1,	6,393,376	5,565,722	46,362	58,773	6,439,738	5,624,495
Net Position June 30,	<b>\$ 6,781,081</b>	<b>\$ 6,393,376</b>	<b>\$ 34,412</b>	<b>\$ 46,362</b>	<b>\$ 6,815,493</b>	<b>\$ 6,439,738</b>

**Financial Analysis of the Governmental Funds**

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* – The focus of the School District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District’s financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,992,475 a decrease of \$292,362 in comparison with the prior year. This decrease is the result of the capital improvement program.

The unassigned fund balance for the School District at the end of the fiscal year includes the General Fund of \$197,008. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed: 1) restricted cash reserved for future capital outlay expenditures (\$215,700); 2) excess surplus (\$181,199); 3) capital projects (\$706,716); 4) debt service (\$3,990); and 5) appropriated as a revenue source in the subsequent year's budget (\$543,912).

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the deficit unassigned fund balance is due, primarily, to the accounting treatment of the last 2 state aid payments as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

The special revenue fund reflects no fund balance as revenue is generally recognized at the time that the outlays are identified.

### **General Fund Budgetary Highlights**

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$321,632, while the total fund balance (budgetary basis) was \$1,406,393. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$9,131,768. Unreserved fund balance (budgetary basis) represents 3.52% of expenditures while total fund balance (budgetary basis) represents 15.40% of that same amount.

### **Capital Asset and Debt Administration**

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2013, totaled \$13,228,054 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total increase in the District's investment in capital assets for the current fiscal year was \$89,961. This increase is primarily due to additions related to the capital improvement program.

**Hainesport Township School District**  
**Capital Assets (net of accumulated depreciation)**  
**As of June 30, 2013 and 2012**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>District-Wide</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Non Depreciable Assets</b>						
Land	\$ 40,490	\$ 40,490	\$ -	\$ -	\$ 40,490	\$ 40,490
<b>Depreciable Assets</b>						
<b>Construction in Progress</b>						
Progress	8,729,385	8,418,657	-	-	8,729,385	8,418,657
Site Improvements	4,819	5,890	-	-	4,819	5,890
<b>Buildings &amp; Building Improvements</b>						
Improvements	4,274,168	4,449,730	-	-	4,274,168	4,449,730
Equipment	160,828	198,501	18,364	24,825	179,192	223,326
<b>Net Assets</b>	<b>\$ 13,209,690</b>	<b>\$13,113,268</b>	<b>\$ 18,364</b>	<b>\$ 24,825</b>	<b>\$ 13,228,054</b>	<b>\$ 13,138,093</b>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 6) of this report.

**Long-term debt** - During the fiscal year ended June 30, 2013, the School District had total bonded debt outstanding of \$7,813,169 backed by the full faith and credit of the School District.

General obligation bonds in the amount of \$5,853,000 were issued in the 2009/10 fiscal year in relation to the capital improvement program. All general obligation bonds and capital lease payable decreased during the current fiscal year according to the normal schedule of payments.

The school district continues to maintain its AA rating from Standard & Poor's Corporation for its general obligation bond issues.

State statutes limit the amount of amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$24,652,707 and the legal debt margin was \$16,839,538.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The following factors were considered and incorporated into the preparation of the School District's budget for the 2013-14 fiscal year:

- For calendar year 2012, the inflation rate was 1.7 % percent. For the 2013-14 fiscal year the School District will be receiving \$39,381 more in state aid than the previous year. Salary increases were not finalized for 2013-14 school year as of June 30, 2013 as the School District was in negotiations. Health benefit costs are expected to increase 14 percent, prescription benefit costs are expected to increase 5% and dental benefits are expected to increase 5%.
- In the 2013 tax year, the township of Hainesport implemented a revaluation to bring the assessed values of all properties to 100% of their true market value. This caused the overall ratable base to increase and the tax rate to decrease.

### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Hainesport Township School District Business Administrator, 211 Broad Street P.O. Box 538, Hainesport, New Jersey 08036, telephone number (609) 265-8050.

**BASIC FINANCIAL STATEMENTS**





A. District-Wide Financial Statements



**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012
Cash & Cash Equivalents	\$ 1,043,947	\$ 5,179	\$ 1,049,126	\$ 1,553,611
Receivables, Net	927,952	3,522	931,474	851,745
Inventory	-	7,347	7,347	8,027
Restricted Assets:				
Cash & Cash Equivalents	215,200	-	215,200	215,200
Deferred Bond Issuance Costs - Net	30,608	-	30,608	38,260
Capital Assets - Net (Note 6)	13,209,690	18,364	13,228,054	13,138,093
<b>Total Assets</b>	<b>15,427,397</b>	<b>34,412</b>	<b>15,461,809</b>	<b>15,804,936</b>
<b>LIABILITIES</b>				
Accounts Payable	186,966	-	186,966	317,651
Deferred Revenue	7,658	-	7,658	4,558
Accrued Interest Payable	138,732	-	138,732	147,890
Noncurrent Liabilities (Note 7):				
Due Within One Year	605,169	-	605,169	578,261
Due Beyond One Year	7,707,791	-	7,707,791	8,316,838
<b>Total Liabilities</b>	<b>8,646,316</b>	<b>-</b>	<b>8,646,316</b>	<b>9,365,198</b>
<b>NET POSITION</b>				
Invested in Capital Assets, Net of Related	5,427,129	18,364	5,445,493	4,784,922
Restricted For:				
Capital Projects	706,716	-	706,716	1,180,900
Debt Service	(134,742)	-	(134,742)	(139,914)
Other Purposes	1,084,761	-	1,084,761	924,062
Unrestricted	(302,783)	16,048	(286,735)	(310,232)
<b>Total Net Position</b>	<b>\$ 6,781,081</b>	<b>\$ 34,412</b>	<b>\$ 6,815,493</b>	<b>\$ 6,439,738</b>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS		
						JUNE 30, 2013	JUNE 30, 2012	
								(MEMORANDUM ONL)
Governmental Activities:								
Instruction:								
Regular	\$ 2,856,967	\$ -	\$ 209,366	\$ (2,647,601)	\$ -	\$ (2,647,601)	\$ (2,602,645)	
Special Education	1,028,678	-	-	(1,028,678)	-	(1,028,678)	(975,785)	
Other Instruction	130,141	-	-	(130,141)	-	(130,141)	(117,169)	
Support Services & Undistributed Costs:								
Tuition	126,004	-	-	(126,004)	-	(126,004)	(109,621)	
Student & Instruction Related Services	1,018,276	-	11,123	(1,007,153)	-	(1,007,153)	(914,452)	
General Administrative Services	304,706	-	-	(304,706)	-	(304,706)	(308,524)	
School Administrative Services	159,784	-	-	(159,784)	-	(159,784)	(161,021)	
Central Services	197,523	-	-	(197,523)	-	(197,523)	(194,514)	
Plant Operations & Maintenance	591,871	-	-	(591,871)	-	(591,871)	(637,909)	
Pupil Transportation	483,172	-	-	(483,172)	-	(483,172)	(451,866)	
Unallocated Employee Benefits	2,405,015	-	-	(2,405,015)	-	(2,405,015)	(2,223,838)	
Special Schools	18,092	-	-	(18,092)	-	(18,092)	(2,736)	
Interest on Long-Term Debt	332,612	-	-	(332,612)	-	(332,612)	(330,103)	
Reduction In Compensated Absences	(3,877)	-	-	3,877	-	3,877	14,419	
Unallocated Depreciation & Amortization	389,571	-	-	(389,571)	-	(389,571)	(198,080)	
<b>Total Governmental Activities</b>	<b>10,038,535</b>	<b>-</b>	<b>220,489</b>	<b>(9,818,046)</b>	<b>-</b>	<b>(9,818,046)</b>	<b>(9,213,844)</b>	

HAINESPORT TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2013	JUNE 30, 2012
Business-Type Activities:							
Food Service	236,703	153,668	71,069	-	(11,966)	(11,966)	(12,434)
Total Business-Type Activities	236,703	153,668	71,069	-	(11,966)	(11,966)	(12,434)
Total Primary Government	\$ 10,275,238	\$ 153,668	\$ 291,558	(9,818,046)	(11,966)	(9,830,012)	(9,226,278)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				6,952,444	-	6,952,444	6,934,825
Taxes Levied for Debt Service				799,167	-	799,167	788,941
Federal & State Aid Not Restricted				2,319,140	-	2,319,140	2,193,908
Investment Earnings				500	16	516	2,231
Tuition Received				87,086	-	87,086	66,000
Miscellaneous Income				47,414	-	47,414	55,616
Total General Revenues, Special Items, Extraordinary Items & Transfers				10,205,751	16	10,205,767	10,041,521
Change In Net Position				387,705	(11,950)	375,755	815,243
Net Position - Beginning				6,393,376	46,362	6,439,738	5,624,495
Net Position - Ending				\$ 6,781,081	\$ 34,412	\$ 6,815,493	\$ 6,439,738

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



## B. Fund Financial Statements





## Governmental Funds



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

ASSETS & OTHER DEBITS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2013	JUNE 30, 2012
					(MEMORANDUM ONLY)	
Assets:						
Cash & Cash Equivalents	\$ 1,047,775	\$ -	\$ 77,941	\$ 340	\$ 1,126,056	\$ 1,560,016
Interfund Receivable	1,790	-	-	3,650	5,440	-
Receivables, Net	116,386	93,471	718,095	-	927,952	847,624
Restricted Cash & Cash Equivalents	215,200	-	-	-	215,200	215,200
<b>Total Assets</b>	<b>\$ 1,381,151</b>	<b>\$ 93,471</b>	<b>\$ 796,036</b>	<b>\$ 3,990</b>	<b>\$ 2,274,648</b>	<b>\$ 2,622,840</b>
<b>LIABILITIES &amp; FUND BALANCES</b>						
Liabilities:						
Cash Deficit	\$ -	\$ 82,109	\$ -	\$ -	\$ 82,109	\$ 15,794
Accounts Payable	99,382	1,914	85,670	-	186,966	317,651
Interfund Payable	-	1,790	3,650	-	5,440	-
Deferred Revenue	-	7,658	-	-	7,658	4,558
<b>Total Liabilities</b>	<b>99,382</b>	<b>93,471</b>	<b>89,320</b>	<b>-</b>	<b>282,173</b>	<b>338,003</b>
Fund Balances:						
Restricted for:						
Capital Reserve Account	215,700	-	-	-	215,700	215,200
Excess Surplus	181,199	-	-	-	181,199	143,950
Excess Surplus Designated for Subsequent Year's Expenditures	143,950	-	-	-	143,950	126,152
Capital Projects	-	-	706,716	-	706,716	901,810
Debt Service	-	-	-	3,990	3,990	340
Committed to:						
Other Purposes	-	-	-	-	-	279,090
Assigned to:						
Designated for Subsequent Year's Expenditures	543,912	-	-	-	543,912	446,396
Unassigned:	197,008	-	-	-	197,008	171,899
<b>Total Fund Balances</b>	<b>1,281,769</b>	<b>-</b>	<b>706,716</b>	<b>3,990</b>	<b>1,992,475</b>	<b>2,284,837</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 1,381,151</b>	<b>\$ 93,471</b>	<b>\$ 796,036</b>	<b>\$ 3,990</b>		
Amounts reported for <i>governmental activities</i> in the statement of net position (A-2) are different because:						
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$18,233,103 and the accumulated depreciation is \$5,023,413.					13,209,690	13,113,268
Bond issuance costs are amortized over the life of the Bonds on the statement of net assets.					30,608	38,260
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds:						
General Obligation Bonds					(7,813,169)	(8,391,431)
Accrued Interest Payable					(138,732)	(147,890)
Compensated Absences Payable					(499,791)	(503,668)
<b>Net Position of Governmental Activities</b>					<b>\$ 6,781,081</b>	<b>\$ 6,393,376</b>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUND TYPES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					(MEMORANDUM ONLY)	
					JUNE 30, 2013	JUNE 30, 2012
<b>Revenues:</b>						
Local Sources:						
Local Tax Levy	\$ 6,952,444	\$ -	\$ -	\$ 799,167	\$ 7,751,611	\$ 7,723,767
Tuition	87,086	-	-	-	87,086	66,000
Interest on Capital Reserve	500	-	-	-	500	2,208
Miscellaneous	43,764	-	3,650	-	47,414	55,616
<b>Total Local Sources</b>	<b>7,083,794</b>	<b>-</b>	<b>3,650</b>	<b>799,167</b>	<b>7,886,611</b>	<b>7,847,591</b>
State Sources	2,209,213	-	-	85,358	2,294,571	2,128,179
Federal Sources	24,569	220,489	-	-	245,058	321,685
<b>Total Revenues</b>	<b>9,317,576</b>	<b>220,489</b>	<b>3,650</b>	<b>884,525</b>	<b>10,426,240</b>	<b>10,297,455</b>
<b>Expenditures:</b>						
Current Expense:						
Regular Instruction	2,647,601	209,366	-	-	2,856,967	2,844,048
Special Education Instruction	1,028,678	-	-	-	1,028,678	975,785
Other Instruction	130,141	-	-	-	130,141	117,169
Support Services:						
Tuition	126,004	-	-	-	126,004	109,621
Student & Instruction Related Services						
General Administrative Services	1,007,153	11,123	-	-	1,018,276	929,005
School Administrative Services	304,706	-	-	-	304,706	308,524
School Administrative Services	159,784	-	-	-	159,784	161,021
Central Services	197,523	-	-	-	197,523	194,514
Plant Operations & Maintenance	591,871	-	-	-	591,871	637,909
Pupil Transportation	483,172	-	-	-	483,172	451,866
Unallocated Employee Benefits	2,405,015	-	-	-	2,405,015	2,223,838
Capital Outlay	32,028	-	474,184	-	506,212	2,616,484
Special Schools	18,092	-	-	-	18,092	2,736
Debt Service:						
Principal	-	-	-	578,262	578,262	551,448
Interest & Other Charges	-	-	-	313,899	313,899	331,768
<b>Total Expenditures</b>	<b>9,131,768</b>	<b>220,489</b>	<b>474,184</b>	<b>892,161</b>	<b>10,718,602</b>	<b>12,455,736</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	185,808	-	(470,534)	(7,636)	(292,362)	(2,158,281)
Other Financing Sources/(Uses):						
Transfer From Other Funds	-	-	-	3,650	3,650	22,129
Transfer To Other Funds	-	-	(3,650)	-	(3,650)	(22,129)
<b>Total Other Financing Sources/(Uses)</b>	<b>-</b>	<b>-</b>	<b>(3,650)</b>	<b>3,650</b>	<b>-</b>	<b>-</b>
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures						
& Other Financing Uses	185,808	-	(474,184)	(3,986)	(292,362)	(2,158,281)
Fund Balance - July 1	1,095,961	-	1,180,900	7,976	2,284,837	4,443,118
<b>Fund Balance - June 30</b>	<b>\$ 1,281,769</b>	<b>\$ -</b>	<b>\$ 706,716</b>	<b>\$ 3,990</b>	<b>\$ 1,992,475</b>	<b>\$ 2,284,837</b>

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$	(292,362)
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	\$	(389,571)	
Fixed Asset Additions		<u>485,993</u>	96,422

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities liabilities in the statements of net assets.

General Obligation Bonds	578,262
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Bond issuance costs are reported in the governmental fund as expenditures in year the Bonds are issued. However, on the statement of activities, the costs are amortized over the life of the Bonds.

(7,652)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).

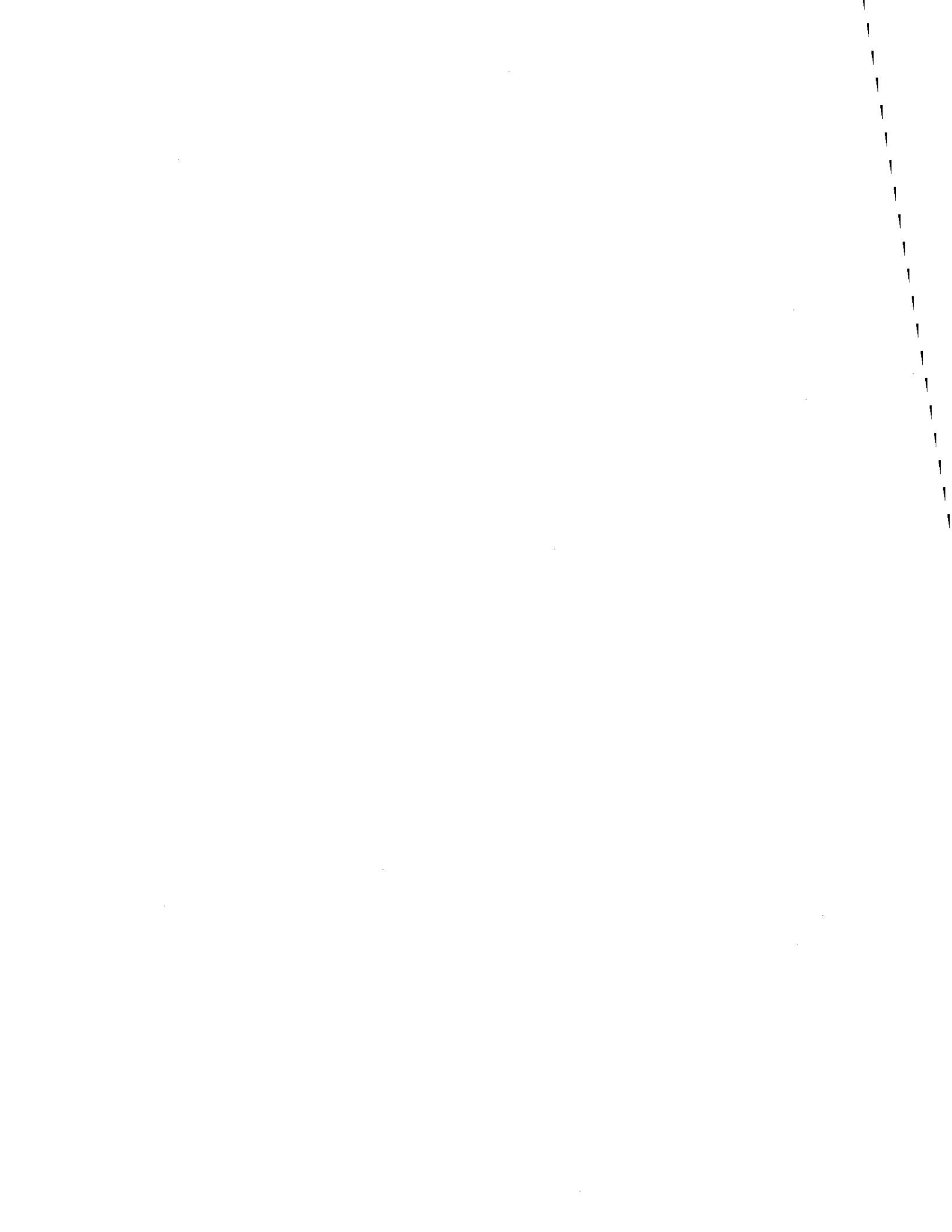
Prior Year	147,890	
Current Year	<u>(138,732)</u>	9,158

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

Prior Year	503,668	
Current Year	<u>(499,791)</u>	3,877

Change in Net Position of Governmental Activities	\$	<u><u>387,705</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.



## Proprietary Funds





**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE	TOTALS	
	FUNDS	(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2013	JUNE 30, 2012
Current Assets:			
Cash & Cash Equivalents	\$ 5,179	\$ 5,179	\$ 9,389
Accounts Receivable:			
State	311	311	219
Federal	3,211	3,211	3,902
Inventories	7,347	7,347	8,027
Total Current Assets	<u>16,048</u>	<u>16,048</u>	<u>21,537</u>
Noncurrent Assets:			
Equipment	175,265	175,265	175,265
Less: Accumulated Depreciation	<u>(156,901)</u>	<u>(156,901)</u>	<u>(150,440)</u>
Total Noncurrent Assets	<u>18,364</u>	<u>18,364</u>	<u>24,825</u>
Total Assets	<u>34,412</u>	<u>34,412</u>	<u>46,362</u>
NET POSITION			
Investment in Capital Assets Net of Related Debt	18,364	18,364	24,825
Unrestricted	<u>16,048</u>	<u>16,048</u>	<u>21,537</u>
Total Net Position	<u>\$ 34,412</u>	<u>\$ 34,412</u>	<u>\$ 46,362</u>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
 (With Comparative Totals for June 30, 2012)**

	BUSINESS-TYPE ACTIVITIES		
	ENTERPRISE FUNDS	TOTALS	
	FOOD SERVICE	JUNE 30, 2013	JUNE 30, 2012
			(MEMORANDUM ONLY)
Operating Revenues:			
Local Sources:			
Daily Sales:			
Reimbursable Programs	\$ 94,150	\$ 94,150	\$ 103,198
Nonreimbursable Programs	59,518	59,518	64,099
<b>Total Operating Revenue</b>	<b>153,668</b>	<b>153,668</b>	<b>167,297</b>
Operating Expenses:			
Cost of Sales	100,421	100,421	107,622
Supplies & Materials	7,126	7,126	6,355
Salaries & Fringe Benefits	95,102	95,102	95,917
Management Fee	12,017	12,017	11,730
Cleaning, Maintenance & Repairs	8,439	8,439	5,653
Miscellaneous	7,137	7,137	5,879
Depreciation	6,461	6,461	11,308
<b>Total Operating Expenses</b>	<b>236,703</b>	<b>236,703</b>	<b>244,464</b>
<b>Operating Income/(Loss)</b>	<b>(83,035)</b>	<b>(83,035)</b>	<b>(77,167)</b>
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	2,495	2,495	2,585
Federal Sources:			
National School Lunch Program	50,396	50,396	46,014
Food Distribution Program	18,178	18,178	16,134
Local Sources:			
Interest Earned on Investments	16	16	23
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>71,085</b>	<b>71,085</b>	<b>64,756</b>
Change in Net Position	(11,950)	(11,950)	(12,411)
Total Net Position - Beginning	46,362	46,362	58,773
<b>Total Net Position - Ending</b>	<b>\$ 34,412</b>	<b>\$ 34,412</b>	<b>\$ 46,362</b>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

	BUSINESS-TYPE ACTIVITIES		
	ENTERPRISE FUNDS	TOTALS	
	FOOD SERVICE	JUNE 30, 2013	JUNE 30, 2012
			(MEMORANDUM ONLY)
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 154,267	\$ 154,267	\$ 163,317
Payments to Employees	(95,102)	(95,102)	(95,917)
Payments to Suppliers for Goods & Services	(134,460)	(134,460)	(137,105)
Net Cash Provided/(Used) by Operating Activities	(75,295)	(75,295)	(69,705)
Cash Flows From Capital & Related Financing Activities:			
Cash Received From State Sources	2,495	2,495	2,585
Cash Received From Federal Sources	68,574	68,574	62,148
Acquisition of Fixed Assets	-	-	(8,176)
Net Cash Provided by Capital & Related Financing Activities	71,069	71,069	56,557
Cash Flows From Investing Activities:			
Interest on Cash Equivalents	16	16	23
Net Cash Provided by Investing Activities	16	16	23
Net Increase/(Decrease) in Cash & Cash Equivalents	(4,210)	(4,210)	(13,125)
Cash & Cash Equivalents, July 1	9,389	9,389	22,514
Cash & Cash Equivalents, June 30	\$ 5,179	\$ 5,179	\$ 9,389

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

Operating Income/(Loss)	\$ (83,035)	\$ (83,035)	\$ (77,167)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	6,461	6,461	11,308
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	680	680	134
(Increase)/Decrease in Accounts Receivable	599	599	(3,980)
Net Cash Provided/(Used) by Operating Activities	\$ (75,295)	\$ (75,295)	\$ (69,705)

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



Fiduciary Fund



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

	PRIVATE PURPOSE		AGENCY FUNDS		TOTALS	
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION	STUDENT ACTIVITY	PAYROLL	JUNE 30, 2013	JUNE 30, 2012
ASSETS						
Cash & Cash Equivalents	\$ 9,319	\$ 3,701	\$ 19,933	\$ 6,240	\$ 39,193	\$ 39,389
Total Assets	9,319	3,701	19,933	6,240	39,193	39,389
LIABILITIES						
Payroll Deductions & Withholdings	-	-	-	6,240	6,240	7,666
Due to Student Groups	-	-	19,933	-	19,933	17,732
Total Liabilities	-	-	19,933	6,240	26,173	25,398
NET POSITION						
Reserved for Unemployment Claims	-	3,701	-	-	3,701	4,406
Reserved for Scholarships	9,319	-	-	-	9,319	9,585
Total Net Position	\$ 9,319	\$ 3,701	\$ -	\$ -	\$ 13,020	\$ 13,991

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

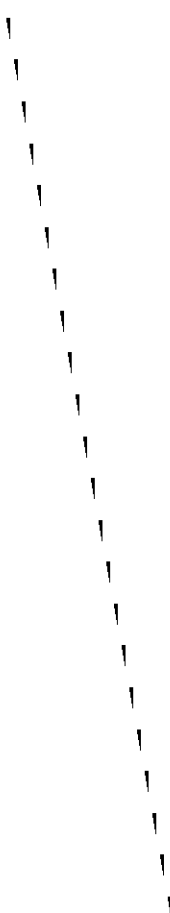
	PRIVATE PUPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP FUND	JUNE 30, 2013	JUNE 30, 2012
				(MEMORANDUM ONLY)
<b>ADDITIONS</b>				
Contributions:				
Employee Contributions	\$ 9,657	\$ -	\$ 9,657	\$ 9,110
Total Contributions	9,657	-	9,657	9,110
Investment Earnings:				
Interest	6	9	15	14
Net Investment Earnings	6	9	15	14
Total Additions	9,663	9	9,672	9,124
<b>DEDUCTIONS</b>				
Unemployment Claims	10,368	-	10,368	5,382
Scholarships Awarded	-	275	275	282
Total Deductions	10,368	275	10,643	5,664
Change in Net Position	(705)	(266)	(971)	3,460
Net Position - Beginning of the Year	4,406	9,585	13,991	10,531
Net Position - End of the Year	\$ 3,701	\$ 9,319	\$ 13,020	\$ 13,991

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



**HAINESPORT TOWNSHIP  
BOARD OF EDUCATION**

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



# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### Note 1. Summary of Significant Accounting Policies

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

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

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

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

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2013 and for the year then ended with comparative totals as of and for the year ended June 30, 2012 (Memorandum Only).

#### A. Reporting Entity

The Hainesport Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. Students in grades 9 through 12 attend the Rancocas Valley Regional High School District. The Hainesport Township Board of Education has an approximate enrollment at June 30, 2013 of 688 students.

# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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

#### A. Reporting Entity (continued):

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

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

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

#### B. District-Wide and Fund Financial Statements

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

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

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

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

# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

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

**District-Wide Financial Statements** – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

#### D. Fund Accounting

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

##### Governmental Funds

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

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

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

**D. Fund Accounting (continued):**

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

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

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

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

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

**Proprietary Fund**

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

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

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

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

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

**D. Fund Accounting (continued):**

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

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

Machinery and Equipment	7-20 years
-------------------------	------------

**Fiduciary Fund**

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

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity’s own operating programs. The District currently maintains Unemployment Compensation Trust Fund, a Scholarship Fund, a Student Activity Fund and a Payroll Fund

**E. Basis of Accounting**

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

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

# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

#### E. Basis of Accounting (continued):

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

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

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

#### F. Budgets/Budgetary Control

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

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

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



## HAINESPORT TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

##### **F. Budgets/Budgetary Control (continued):**

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

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

##### **G. Encumbrances**

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

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

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

##### **H. Cash and Cash Equivalents**

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

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

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

*N.J.S.A. 17:9-41 et. Seq.* establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

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

**H. Cash and Cash Equivalents (continued):**

insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**I. Tuition Receivable/Payable**

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

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

The tuition rate adjustments for the year 2010-2011 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

**J. Inventories & Prepaid Expenses**

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

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditures during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

**K. Short-Term Interfund Receivables/Payables**

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

**L. Fixed Assets**

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of

HAINESPORT TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

**L. Fixed Assets (continued):**

one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

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

Infrastructure	50 Years
Machinery & Equipment	5 – 20 Years
Building & Other Improvements	40 Years

**M. Accrued Salaries and Wages**

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2013 for such salaries.

**N. Compensated Absences**

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

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

**O. Deferred Revenue**

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

**P. Long-term Obligations**

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

# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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

#### Q. Fund Equity

In accordance with Fund Balance Reporting and Governmental Fund Type Definitions, the Hainesport Township Board of Education classifies governmental fund balances as follows:

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

The Hainesport Board of Education uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Hainesport Board of Education would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

#### R. Subsequent Events

Hainesport Board of Education has evaluated subsequent events occurring after June 30, 2013 through the date of November 18, 2013, which is the date the financial statements were available to be issued.

### Note 2. Cash and Cash Equivalents

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

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

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

**Note 2. Cash and Cash Equivalents (continued):**

Type	Carrying Value
<b>Deposits</b>	
Demand Deposits	\$ 1,303,519
	\$ 1,303,519
<b>Total Deposits</b>	\$ 1,303,519

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

Governmental Activities	\$ 1,259,147
Business-Type Activities	5,179
Fiduciary Funds	39,193
	39,193
<b>Total Cash &amp; Cash Equivalents</b>	\$ 1,303,519

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk. As of June 30, 2013, the District's bank balance of \$1,454,682 was insured or collateralized as follows:

Insured	\$ 259,223
Uninsured	84,601
Collateralized in the District's Name Under GUDPA (See Note 3)	1,110,858
<b>Total</b>	\$ 1,454,682

**Note 3. Governmental Unit Deposit Protection Act (GUDPA)**

The District has deposited cash in 2013 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

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

# HAINESPORT TOWNSHIP BOARD OF EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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

days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

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

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

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

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

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

### **Note 4. Capital Reserve Account**

The Hainesport Township Board of Education created their capital reserve account 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.

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

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

**Note 4. Capital Reserve Account (continued)**

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.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.

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

Beginning Balance, July 1 2012	\$ 215,200
Interest Earnings	500
Ending Balance June 30 , 2013	<u>\$ 215,700</u>

**Note 5. Transfers to Capital Outlay**

During the year ending June 30, 2013, the District transferred \$ -0- to the capital outlay accounts.

**Note 6. Capital Assets**

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

	June 30, <u>2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	June 30, <u>2013</u>
<u>Non-Depreciable Assets</u>					
Land	\$ 40,490	\$ -	\$ -	\$ -	\$ 40,490
Total Non-Depreciable Assets	<u>40,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,490</u>
<u>Depreciable Assets</u>					
Land Improvements	21,420	-	-	-	21,420
Buildings & Improvements	7,993,841	-	-	-	7,993,841
Construction In Progress	8,418,657	310,728	-	-	8,729,385
Machinery & Equipment	1,272,702	175,265	-	-	1,447,967
Subtotal	<u>17,747,110</u>	<u>485,993</u>	<u>-</u>	<u>-</u>	<u>18,233,103</u>
Accumulated Depreciation	<u>(4,633,842)</u>	<u>(389,571)</u>	<u>-</u>	<u>-</u>	<u>(5,023,413)</u>
Total	<u>\$ 13,113,268</u>	<u>\$ 96,422</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,209,690</u>

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

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

**Note 6. Capital Assets (continued):**

The following is a summary of proprietary fund type fixed assets at June 30, 2013:

	June 30, <u>2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	June 30, <u>2013</u>
<u>Business-Type Activities</u>					
Machinery & Equipment	\$ 175,265	\$ -	\$ -	\$ -	\$ 175,265
Accumulated Depreciation	(150,440)	(6,461)	-	-	(156,901)
<b>Total</b>	<b>\$ 24,825</b>	<b>\$ (6,461)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,364</b>

**Note 7. Long-Term Obligations**

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

	Balance <u>6/30/12</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>6/30/13</u>	Due Within <u>One Year</u>
Compensated Absences	\$ 503,668	\$ -	\$ 3,877	\$ 499,791	\$ -
Bonds Payable	8,391,431	-	578,262	\$ 7,813,169	605,169
<b>Total</b>	<b>\$ 8,895,099</b>	<b>\$ -</b>	<b>\$ 582,139</b>	<b>\$ 8,312,960</b>	<b>\$ 605,169</b>

**A. Bonds Payable:**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

2010 School Bonds dated January 12, 2010 in the amount of \$5,853,000 due in annual installments through January 15, 2030, bearing interest rate of 2% to 4.125%.

2005 Refunding 1997 Series Bonds dated February 1, 2005 in the amount of \$4,990,000 due in annual installments through January 1, 2017, bearing interest rate of 2% to 4%.

1993 Small Facilities Loan Bonds dated April 18, 1993 in the amount of \$200,690 due in annual installments through July 15, 2013, bearing interest rate of 1.50%.

1993 Small Project Loan Bonds dated April 18, 1993 in the amount of \$602,070 due in annual installments through July 15, 2013, and bearing interest rate of 5.288%.



**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

**Note 7. Long-Term Obligations (continued):**

**B. Debt Service Requirements**

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

Year-ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 605,170	\$ 294,107	\$ 899,277
2015	570,000	273,099	843,099
2016	595,000	252,599	847,599
2017	640,000	229,849	869,849
2018	595,000	204,949	799,949
2019-2023	2,465,000	742,469	3,207,469
2024-2028	1,760,000	320,369	2,080,369
2029-2030	582,999	35,347	618,346
Total	<u>\$ 7,813,169</u>	<u>\$ 2,352,788</u>	<u>\$ 10,165,957</u>

**Note 8. Pension Plans**

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

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

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

## HAINESPORT TOWNSHIP BOARD OF EDUCATION

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

#### Note 8. Pension Plans (continued):

**Vesting and Benefit Provisions** - The vesting and benefit provisions of PERS are set by *N.J.S.A. 43:15A* and *43.3B* and *N.J.S.A.18A:6C* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

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

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

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

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

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

**Note 8. Pension Plans (continued):**

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

**Contribution Requirements** – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

**Three-Year Trend Information for PERS**

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2013	\$ 84,960	100%	\$ -
6/30/2012	107,230	100%	-
6/30/2011	101,493	100%	-

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2013	\$ 515,855	100%	\$ -
6/30/2012	397,690	100%	-
6/30/2011	272,733	100%	-

During the year ended June 30, 2013 the State of New Jersey contributed \$515,855 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$290,846 for the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

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

**Note 9. Post-Retirement Benefits**

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

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

**Note 10. Risk Management**

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

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

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

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2012-2013	\$ 9,657	\$ 6	\$ 10,368	\$ 3,701
2011-2012	9,110	2	5,382	4,406
2010-2011	8,359	157	39,271	676

**Note 11. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2013**

**Note 11. Contingent Liabilities (continued):**

with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and accompanying combined financial statements for such contingencies.

**Note 12. Economic Dependency**

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

**Note 13. Fund Balance Disclosures**

**General Fund (Exhibit B-1)** – Of the \$1,281,769 General Fund fund balance at June 30, 2013; \$181,199 is restricted as excess surplus in accordance with *N.J.S.A.18A:7F-7*; \$215,700 is restricted as a capital reserve; \$687,862 has been appropriated and included as anticipated revenue for the year-ending June 30, 2013; and \$197,008 is unassigned.

**Capital Projects Fund (Exhibit B-1)** – All of the \$706,716 Capital Projects Fund fund balance at June 30, 2013 is restricted.

**Debt Service Fund (Exhibit B-1)** – All of the \$3,990 Debt Service Fund fund balance at June 30, 2013 is restricted.

The Hainesport School District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Hainesport School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**Note 14. Deferred Compensation**

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

**Note 15. Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**

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

**Note 15. Compensated Absences (continued):**

contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2013 is \$499,791.

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

**Note 16. Calculation of Excess Surplus**

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$181,199.

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

### C. Budgetary Comparison Schedules



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Revenues:</b>											
<b>Local Sources:</b>											
Local Tax Levy	10-1210-000-000	\$ 6,952,444	\$ -	\$ 6,952,444	\$ 6,952,444	\$ -	\$ 6,934,826	\$ -	\$ 6,934,826	\$ 6,934,826	\$ -
Tuition	10-1300-000-000	60,000	-	60,000	87,086	27,086	70,000	-	70,000	66,000	(4,000)
Interest on Capital Reserve	10-1000-000-000	500	-	500	500	-	2,100	-	2,100	2,208	108
Unrestricted Miscellaneous	10-1000-000-000	8,500	-	8,500	43,764	35,264	18,000	-	18,000	50,493	32,493
<b>Total Local Sources</b>		<b>7,021,444</b>	<b>-</b>	<b>7,021,444</b>	<b>7,083,794</b>	<b>62,350</b>	<b>7,024,926</b>	<b>-</b>	<b>7,024,926</b>	<b>7,053,527</b>	<b>28,601</b>
<b>State Sources:</b>											
Categorical Transportation Aid	10-3121-000-000	147,648	-	147,648	147,648	-	149,594	-	149,594	149,594	-
Categorical Special Education Aid	10-3132-000-000	375,729	-	375,729	375,729	-	353,655	-	353,655	353,655	-
Equalization Aid	10-3176-000-000	634,159	-	634,159	634,159	-	607,570	-	607,570	607,570	-
Categorical Security Aid	10-3177-000-000	55,738	-	55,738	55,738	-	56,643	-	56,643	56,643	-
Adjustment Aid	10-3178-000-000	125,576	-	125,576	125,576	-	34,188	-	34,188	120,002	85,814
Extraordinary Aid	10-3131-000-000	-	-	-	55,428	55,428	-	38,500	38,500	58,497	19,997
Non-Public Transportation Aid	10-XXX-000-000	-	-	-	16,204	16,204	-	-	-	18,556	18,556
Anti-Bullying		-	-	-	-	-	-	-	-	312	312
<b>Nonbudgeted:</b>											
On-Behalf TPAF Pension Contribution		-	-	-	242,101	242,101	-	-	-	397,690	397,690
On-Behalf TPAF Post-Retirement Medical		-	-	-	273,754	273,754	-	-	-	-	-
Reimbursed TPAF Social Security		-	-	-	290,846	290,846	-	-	-	302,332	302,332
<b>Total State Sources</b>		<b>1,338,850</b>	<b>-</b>	<b>1,338,850</b>	<b>2,217,183</b>	<b>878,333</b>	<b>1,201,650</b>	<b>38,500</b>	<b>1,240,150</b>	<b>2,064,851</b>	<b>824,701</b>
<b>Federal Sources:</b>											
Medicaid Reimbursement	10-4200-000-000	8,000	-	8,000	15,771	7,771	7,319	-	7,319	10,823	3,504
Education Jobs Fund	18-4522-000-000	-	-	-	8,798	8,798	51,182	-	51,182	43,987	(7,195)
<b>Total Federal Sources</b>		<b>8,000</b>	<b>-</b>	<b>8,000</b>	<b>24,569</b>	<b>16,569</b>	<b>58,501</b>	<b>-</b>	<b>58,501</b>	<b>54,810</b>	<b>(3,691)</b>
<b>Total Revenues</b>		<b>8,368,294</b>	<b>-</b>	<b>8,368,294</b>	<b>9,325,546</b>	<b>957,252</b>	<b>8,285,077</b>	<b>38,500</b>	<b>8,323,577</b>	<b>9,173,188</b>	<b>849,611</b>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool	11-105-100-101	69,638	-	69,638	69,510	128	67,507	1,295	68,802	68,015	787
Kindergarten	11-110-100-101	178,214	(22,439)	155,775	109,578	46,197	177,219	(2,277)	174,942	173,790	1,152
Grades 1 - 5	11-120-100-101	1,387,216	16,968	1,404,184	1,398,579	5,605	1,296,082	(11,561)	1,284,521	1,281,303	3,218
Grades 6 - 8	11-130-100-101	866,599	(8,927)	857,672	842,903	14,769	820,340	(1,932)	818,408	817,637	771
Home Instruction - Regular Programs:											
Salaries of Teachers	11-150-100-101	10,000	7,376	17,376	17,376	-	8,000	14,256	22,256	22,256	-
Purchased Professional - Educational Services	11-150-100-320	2,000	(100)	1,900	-	1,900	2,000	(1,600)	400	400	-
Regular Programs - Undistributed Instruction:											
Purchased Professional - Educational Services	11-190-100-320	-	-	-	-	-	750	-	750	-	750
Other Purchased Services	11-190-100-500	20,000	-	20,000	12,472	7,528	15,500	-	15,500	13,493	2,007
General Supplies	11-190-100-610	217,950	(10,138)	207,812	157,884	49,928	190,300	1,473	191,773	171,842	19,931
Textbooks	11-190-100-640	50,000	(8,713)	41,287	28,014	13,273	50,000	(7,042)	42,958	34,426	8,532
Other Objects	11-190-100-800	16,780	(3,876)	12,904	11,285	1,619	23,431	(3,948)	19,483	19,483	-
<b>Total Regular Programs</b>		<b>2,818,397</b>	<b>(29,849)</b>	<b>2,788,548</b>	<b>2,647,601</b>	<b>140,947</b>	<b>2,651,129</b>	<b>(11,336)</b>	<b>2,639,793</b>	<b>2,602,645</b>	<b>37,148</b>
Special Education:											
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	53,259	24,256	77,515	69,026	8,489	49,999	4,520	54,519	41,483	13,036
Other Salaries of Instruction	11-212-100-106	19,859	9,703	29,562	27,280	2,282	8,506	11,536	20,042	19,638	404
General Supplies	11-212-100-610	175	234	409	409	-	350	-	350	-	350
<b>Total Multiple Disabilities</b>		<b>73,293</b>	<b>34,193</b>	<b>107,486</b>	<b>96,715</b>	<b>10,771</b>	<b>58,855</b>	<b>16,056</b>	<b>74,911</b>	<b>61,121</b>	<b>13,790</b>
Resource Room / Resource Center:											
Salaries of Teachers	11-213-100-101	1,003,002	(33,559)	969,443	931,963	37,480	862,607	47,679	910,286	910,286	-
Other Salaries of Instruction	11-213-100-106	-	-	-	-	-	25,301	(20,168)	5,133	4,378	755
General Supplies	11-213-100-610	175	-	175	-	175	1,500	(1,310)	190	-	190

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Resource Room/Resource Center	1,003,177	(33,559)	969,618	931,963	37,655	889,408	26,201	915,609	914,664	945	
Total Special Education	1,076,470	634	1,077,104	1,028,678	48,426	948,263	42,257	990,520	975,785	14,735	
Basic Skills/Remedial - Instruction:											
Salaries of Teachers	11-230-100-101	72,277	-	72,277	60,947	11,330	70,220	8,743	78,963	60,631	18,332
Other Salaries for Instruction	11-230-100-106	-	-	-	-	-	-	-	-	-	-
General Supplies	11-230-100-610	600	-	600	-	600	1,500	-	1,500	-	1,500
Total Basic Skills/Remedial - Instruction		72,877	-	72,877	60,947	11,930	71,720	8,743	80,463	60,631	19,832
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	42,510	(713)	41,797	34,175	7,622	32,250	5,888	38,138	28,251	9,887
Supplies and Materials	11-401-100-600	25	-	25	-	25	25	-	25	-	25
Other Objects	11-401-100-800	6,345	718	7,063	6,240	823	-	-	-	-	-
Total School Sponsored Cocurricular - Activities		48,880	5	48,885	40,415	8,470	32,275	5,888	38,163	28,251	9,912
School Sponsored Athletics - Instruction:											
Salaries	11-402-100-100	25,000	-	25,000	24,699	301	50,000	(9,475)	40,525	24,699	15,826
Purchased Services(300-500 Series)	11-402-100-500	4,000	(170)	3,830	3,689	141	-	3,342	3,342	3,342	-
Supplies and Materials	11-402-100-600	-	391	391	391	-	-	246	246	246	-
Total School Sponsored Athletics - Instruction		29,000	221	29,221	28,779	442	50,000	(5,887)	44,113	28,287	15,826
Total - Instruction		4,045,624	(28,989)	4,016,635	3,806,420	210,215	3,753,387	39,665	3,793,052	3,695,599	97,453

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

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	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Undistributed Expenditures											
Instruction:											
Tuition to Other LEAs Within State											
Regular	11-000-100-561	-	-	-	-	-	31,000	(30,387)	613	613	-
Tuition to Other LEAs Within State											
Special	11-000-100-562	50,000	-	50,000	44,631	5,369	7,500	41,656	49,156	49,156	-
Tuition to CSSD & Regional Day											
School	11-000-100-565	110,123	(19,662)	90,461	44,313	46,148	56,629	(16,942)	39,687	39,687	-
Tuition to Private Schools for											
Disabled Within the State	11-000-100-566	50,957	(10,629)	40,328	37,060	3,268	3,973	16,192	20,165	20,165	-
<b>Total Undistributed Expenditures - Instruction</b>		<b>211,080</b>	<b>(30,291)</b>	<b>180,789</b>	<b>126,004</b>	<b>54,785</b>	<b>99,102</b>	<b>10,519</b>	<b>109,621</b>	<b>109,621</b>	<b>-</b>
Health Services:											
Salaries	11-000-213-100	68,362	2,360	70,722	70,196	526	69,676	(364)	69,312	66,126	3,186
Purchased Professional &											
Technical Services	11-000-213-300	6,275	1,513	7,788	7,598	190	6,275	-	6,275	6,251	24
Supplies and Materials	11-000-213-600	3,000	-	3,000	2,847	153	3,000	501	3,501	3,501	-
<b>Total Health Services</b>		<b>77,637</b>	<b>3,873</b>	<b>81,510</b>	<b>80,641</b>	<b>869</b>	<b>78,951</b>	<b>137</b>	<b>79,088</b>	<b>75,878</b>	<b>3,210</b>
Other Support Services - Students - Related Services:											
Salaries	11-000-216-100	79,213	280	79,493	79,493	-	33,260	44,727	77,987	77,987	-
Supplies and Materials	11-000-216-600	1,500	(341)	1,159	621	538	1,000	685	1,685	1,685	-
<b>Total Other Support Services - Students - Related Services</b>		<b>80,713</b>	<b>(61)</b>	<b>80,652</b>	<b>80,114</b>	<b>538</b>	<b>34,260</b>	<b>45,412</b>	<b>79,672</b>	<b>79,672</b>	<b>-</b>
Other Support Services - Students - Extraordinary Services:											
Salaries	11-000-217-100	104,342	13,339	117,681	117,652	29	75,642	23,707	99,349	97,751	1,598
Purchased Professional &											
Educational Services	11-000-217-320	141,000	174	141,174	141,174	-	230,000	(65,654)	164,346	151,033	13,313
Supplies and Materials	11-000-217-600	2,000	467	2,467	2,467	-	2,000	-	2,000	1,722	278

HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Other Support Services - Students - Extraordinary Services	247,342	13,980	261,322	261,293	29	307,642	(41,947)	265,695	250,506	15,189	
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	97,993	6,121	104,114	104,114	-	94,327	1,698	96,025	93,806	2,219
Supplies and Materials	11-000-218-600	500	-	500	377	123	1,000	-	1,000	343	657
Total Other Support Services - Students - Regular	98,493	6,121	104,614	104,491	123	95,327	1,698	97,025	94,149	2,876	
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	199,565	2,983	202,548	202,177	371	194,689	4,432	199,121	196,634	2,487
Salaries of Secretarial & Clerical Assistants	11-000-219-105	34,279	(1,125)	33,154	33,145	9	34,215	-	34,215	32,108	2,107
Miscellaneous Purchased Services	11-000-219-592	4,750	5,879	10,629	10,629	-	4,750	-	4,750	4,729	21
Other Purchased Services	11-000-219-500	-	4,773	4,773	3,568	1,205	-	300	300	62	238
Supplies and Materials	11-000-219-600	14,000	(5,720)	8,280	6,891	1,389	4,000	-	4,000	3,997	3
Total Other Support Services - Students-Special Services	252,594	6,790	259,384	256,410	2,974	237,654	4,732	242,386	237,530	4,856	
Improvement of Instruction Services:											
Salaries of Supervisors of Instruction	11-000-221-102	45,450	21,936	67,386	67,386	-	-	30,000	30,000	30,000	-
Salaries of Other Professional Staff	11-000-221-104	20,000	7,719	27,719	27,629	90	35,000	(11,213)	23,787	21,488	2,299
Salaries of Secretarial & Clerical Assistants	11-000-221-105	2,500	(1,454)	1,046	345	701	4,500	(1,600)	2,900	2,510	390
Purchased Professional - Educational Services	11-000-221-320	60,000	(13,929)	46,071	42,969	3,102	22,500	14,538	37,038	36,938	100
Other Purchased Services	11-000-221-500	-	647	647	647	-	-	6,775	6,775	5,175	1,600
Supplies and Materials	11-000-221-600	250	2,370	2,620	2,370	250	250	-	250	-	250

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Improvement of Instruction Services	128,200	17,289	145,489	141,346	4,143	62,250	38,500	100,750	96,111	4,639	
Educational Media Services/School Library:											
Salaries	11-000-222-100	62,344	7,090	69,434	69,302	132	83,394	(6,306)	77,088	73,512	3,576
Purchased Professional & Technical Services	11-000-222-300	-	-	-	-	-	4,500	(4,288)	212	-	212
Other Purchased Services	11-000-222-500	2,500	179	2,679	2,473	206	2,500	-	2,500	1,827	673
Supplies and Materials	11-000-222-600	11,050	37	11,087	11,083	4	3,000	3,274	6,274	5,267	1,007
Total Educational Media Services/School Library		75,894	7,306	83,200	82,858	342	93,394	(7,320)	86,074	80,606	5,468
Support Services General Administration:											
Salaries	11-000-230-100	183,614	(318)	183,296	168,425	14,871	183,894	-	183,894	180,014	3,880
Legal Services	11-000-230-331	50,000	-	50,000	41,535	8,465	50,000	-	50,000	40,786	9,214
Audit Services	11-000-230-332	18,250	-	18,250	17,850	400	18,000	-	18,000	17,850	150
Internal Control Audit Fees	11-000-230-333	-	-	-	-	-	-	1,600	1,600	1,600	-
Architectural/Engineering Services	11-000-230-334	7,500	(4,773)	2,727	800	1,927	5,000	(1,628)	3,372	970	2,402
Purchased Technical Services	11-000-230-340	35,000	(1,522)	33,478	27,711	5,767	29,245	5,358	34,603	24,137	10,466
Communications/Telephone	11-000-230-530	16,000	-	16,000	15,293	707	14,000	2,393	16,393	16,294	99
BOE Other Purchased Services	11-000-230-585	1,000	1,069	2,069	1,668	401	1,000	584	1,584	885	699
Other Purchased Services (400-500)	11-000-230-590	14,500	6,402	20,902	18,210	2,692	13,100	(850)	12,250	10,851	1,399
General Supplies	11-000-230-610	9,000	(857)	8,143	8,143	-	8,500	1,285	9,785	9,598	187
Judgements	11-000-230-820	-	-	-	-	-	-	468	468	468	-
BOE Membership Dues & Fees	11-000-230-895	5,500	-	5,500	5,071	429	5,500	-	5,500	5,071	429
Total Support Services General Administration		340,364	1	340,365	304,706	35,659	328,239	9,210	337,449	308,524	28,925
Support Services School Administration:											
Salaries of Other Professional Staff	11-000-240-104	86,495	(2,200)	84,295	75,950	8,345	76,500	750	77,250	77,250	-

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Support Services School Administration (continued):											
Salaries of Secretarial & Clerical											
Assistants	11-000-240-105	75,119	204	75,323	75,307	16	75,184	(438)	74,746	72,953	1,793
Other Purchased Services(400-500)	11-000-240-500	7,700	(365)	7,335	6,404	931	7,750	3,011	10,761	8,258	2,503
Supplies and Materials	11-000-240-600	2,450	365	2,815	2,123	692	2,000	3,268	5,268	2,560	2,708
<b>Total Support Services School Administration</b>		<b>171,764</b>	<b>(1,996)</b>	<b>169,768</b>	<b>159,784</b>	<b>9,984</b>	<b>161,434</b>	<b>6,591</b>	<b>168,025</b>	<b>161,021</b>	<b>7,004</b>
Central Services:											
Salaries	11-000-251-100	135,669	2,200	137,869	136,065	1,804	124,697	(1)	124,696	120,754	3,942
Miscellaneous Purchased Services	11-000-251-592	5,000	1,957	6,957	4,099	2,858	3,100	1,800	4,900	2,108	2,792
Supplies and Materials	11-000-251-600	6,000	(1,957)	4,043	2,889	1,154	3,500	1,500	5,000	2,933	2,067
Interest for Lease Purchase Agreement	11-000-251-832	-	-	-	-	-	1,698	1	1,699	1,698	1
<b>Total Central Services</b>		<b>146,669</b>	<b>2,200</b>	<b>148,869</b>	<b>143,053</b>	<b>5,816</b>	<b>132,995</b>	<b>3,300</b>	<b>136,295</b>	<b>127,493</b>	<b>8,802</b>
Administration Information Technology:											
Salaries	11-000-252-100	67,894	(50,333)	17,561	4,137	13,424	66,234	948	67,182	67,021	161
Other Purchased Services(400-500)	11-000-252-500	100	50,333	50,433	50,333	100	100	-	100	-	100
<b>Total Administration Information Technology</b>		<b>67,994</b>	<b>-</b>	<b>67,994</b>	<b>54,470</b>	<b>13,524</b>	<b>66,334</b>	<b>948</b>	<b>67,282</b>	<b>67,021</b>	<b>261</b>
Allowable Maintenance for School Facilities:											
Cleaning, Repair & Maintenance Services	11-000-261-420	56,500	(7,946)	48,554	26,850	21,704	41,300	31,931	73,231	72,581	650
<b>Total Allowable Maintenance for School Facilities</b>		<b>56,500</b>	<b>(7,946)</b>	<b>48,554</b>	<b>26,850</b>	<b>21,704</b>	<b>41,300</b>	<b>31,931</b>	<b>73,231</b>	<b>72,581</b>	<b>650</b>
Other Operation & Maintenance of Plant:											
Salaries	11-000-262-100	292,663	(24,273)	268,390	258,088	10,302	286,705	36,594	323,299	311,413	11,886
Salaries of Non-Instructional Aides	11-000-262-107	43,515	-	43,515	43,515	-	22,515	(22,515)	-	-	-

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Other Operation & Maintenance of Plant (continued):											
Other Purchased Property Services	11-000-262-490	40,000	-	40,000	39,046	954	40,000	-	40,000	37,920	2,080
Insurance	11-000-262-520	31,250	2,301	33,551	33,166	385	38,000	-	38,000	29,707	8,293
General Supplies	11-000-262-610	50,250	-	50,250	48,394	1,856	50,250	-	50,250	45,725	4,525
Energy (Heat & Electricity)	11-000-262-622	217,008	(5,462)	211,546	142,812	68,734	242,228	(71,999)	170,229	140,555	29,674
Other Objects	11-000-262-800	600	-	600	-	600	1,000	-	1,000	8	992
<b>Total Other Operation &amp; Maintenance of Plant</b>		<b>675,286</b>	<b>(27,434)</b>	<b>647,852</b>	<b>565,021</b>	<b>82,831</b>	<b>680,698</b>	<b>(57,920)</b>	<b>622,778</b>	<b>565,328</b>	<b>57,450</b>
Student Transportation Services:											
Salaries of Non-Instructional Aid	11-000-270-107	1,329	(1,329)	-	-	-	-	-	-	-	-
Contracted Services (Between Home & School) - Vendors	11-000-270-511	268,000	-	268,000	267,336	664	262,379	-	262,379	262,379	-
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	8,000	-	8,000	6,765	1,235	6,000	3,384	9,384	7,176	2,208
Contracted Services (Between Home & School) - Joint Agreement	11-000-270-513	105,000	5,249	110,249	110,249	-	100,000	3,800	103,800	103,800	-
Contracted Services - ESC's & CTSA's - (Special Education Students) - Joint Agreements	11-000-270-515	42,000	13,515	55,515	55,515	-	82,000	(7,559)	74,441	35,768	38,673

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services (continued):											
Contracted Services (Aid in Lieu of Payments-Non Public)											
	11-000-270-503	32,000	(5,630)	26,370	23,014	3,356	30,000	631	30,631	30,631	-
	11-000-270-800	9,000	6,528	15,528	14,578	950	13,500	(256)	13,244	10,727	2,517
	11-000-270-XXX	-	5,715	5,715	5,715	-	-	3,047	3,047	1,385	1,662
<b>Total Student Transportation Services</b>		<b>465,329</b>	<b>24,048</b>	<b>489,377</b>	<b>483,172</b>	<b>6,205</b>	<b>493,879</b>	<b>3,047</b>	<b>496,926</b>	<b>451,866</b>	<b>45,060</b>
Unallocated Benefits - Employee Benefits:											
	11-000-291-220	119,000	(773)	118,227	117,588	639	93,894	15,258	109,152	107,484	1,668
Other Retirement Contributions - Regular											
	11-000-291-241	92,492	(445)	92,047	84,960	7,087	112,615	-	112,615	107,230	5,385
	11-000-291-250	50,000	(5,394)	44,606	27,625	16,981	50,000	(11,893)	38,107	14,909	23,198
	11-000-291-260	60,400	5,394	65,794	62,838	2,956	60,000	-	60,000	56,307	3,693
	11-000-291-270	1,390,012	(1)	1,390,011	1,261,009	129,002	1,355,300	(58,035)	1,297,265	1,195,613	101,652
	11-000-291-280	12,000	-	12,000	10,861	1,139	12,000	-	12,000	5,506	6,494
	11-000-291-290	32,300	1,215	33,515	33,433	82	32,100	4,667	36,767	36,767	-
<b>Total Unallocated Benefits</b>		<b>1,756,204</b>	<b>(4)</b>	<b>1,756,200</b>	<b>1,598,314</b>	<b>157,886</b>	<b>1,715,909</b>	<b>(50,003)</b>	<b>1,665,906</b>	<b>1,523,816</b>	<b>142,090</b>
Nonbudgeted:											
		-	-	-	242,101	(242,101)	-	-	-	397,690	(397,690)
		-	-	-	273,754	(273,754)	-	-	-	-	-
		-	-	-	290,846	(290,846)	-	-	-	302,332	(302,332)
<b>Total Undistributed Expenditures</b>		<b>4,852,063</b>	<b>13,876</b>	<b>4,865,939</b>	<b>5,275,228</b>	<b>(409,289)</b>	<b>4,629,368</b>	<b>(1,165)</b>	<b>4,628,203</b>	<b>5,001,745</b>	<b>(373,542)</b>
<b>Total Expenditures - Current Expense</b>		<b>8,897,687</b>	<b>(15,113)</b>	<b>8,882,574</b>	<b>9,081,648</b>	<b>(199,074)</b>	<b>8,382,755</b>	<b>38,500</b>	<b>8,421,255</b>	<b>8,697,344</b>	<b>(276,089)</b>
Capital Outlay:											
	10-604-000-000	500	-	500	-	500	2,100	-	2,100	-	2,100
<b>Total Interest Deposit to Capital Reserve</b>		<b>500</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>500</b>	<b>2,100</b>	<b>-</b>	<b>2,100</b>	<b>-</b>	<b>2,100</b>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Facilities Acquisition &amp; Construction Services:</b>											
Lease Purchase Agreement Principal	12-000-400-721	-	-	-	-	40,000	-	40,000	40,000	-	
Custodial Services	12-000-262-730	-	11,821	11,821	11,809	12	-	-	-	-	
Other Objects	12-000-400-800	20,219	-	20,219	20,219	-	-	-	-	-	
<b>Total Facilities Acquisition &amp; Construction Services</b>		<b>20,219</b>	<b>11,821</b>	<b>32,040</b>	<b>32,028</b>	<b>12</b>	<b>40,000</b>	<b>-</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
<b>Total Capital Outlay</b>		<b>20,719</b>	<b>11,821</b>	<b>32,540</b>	<b>32,028</b>	<b>512</b>	<b>42,100</b>	<b>-</b>	<b>42,100</b>	<b>40,000</b>	<b>2,100</b>
<b>Special Schools:</b>											
<b>Summer School - Instruction:</b>											
Salaries of Teachers	13-422-100-101	11,000	1,666	12,666	12,666	-	-	-	-	-	
Other Salaries for Instruction	13-400-100-106	3,800	990	4,790	4,790	-	3,800	-	3,800	2,736	1,064
Purchased Professional Services	13-422-200-300	-	636	636	636	-	-	-	-	-	
<b>Total Special Schools</b>		<b>14,800</b>	<b>3,292</b>	<b>18,092</b>	<b>18,092</b>	<b>-</b>	<b>3,800</b>	<b>-</b>	<b>3,800</b>	<b>2,736</b>	<b>1,064</b>
<b>Total Expenditures</b>		<b>8,933,206</b>	<b>-</b>	<b>8,933,206</b>	<b>9,131,768</b>	<b>(198,562)</b>	<b>8,428,655</b>	<b>38,500</b>	<b>8,467,155</b>	<b>8,740,080</b>	<b>(272,925)</b>
<b>Excess/(Deficiency) of Revenues Over/(Under)</b>											
Expenditures Before Other Financing Sources/(Uses)		(564,912)	-	(564,912)	193,778	758,690	(143,578)	-	(143,578)	433,108	576,686
<b>Other Financing Sources/(Uses):</b>											
<b>Operating Transfers In/(Out):</b>											
Capital Reserve - Transfer to Capital Projects		-	-	-	-	-	-	-	-	(20,455)	(20,455)
<b>Total Other Financing Uses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,455)</b>	<b>(20,455)</b>
<b>Excess/(Deficiency) of Revenues Over/(Under)</b>											
Expenditures After Other Financing Sources/(Uses)		(564,912)	-	(564,912)	193,778	758,690	(143,578)	-	(143,578)	412,653	556,231
Fund Balances, July 1		1,212,615	-	1,212,615	1,212,615	-	799,962	-	799,962	799,962	-
Fund Balances, June 30		<u>\$ 647,703</u>	<u>-</u>	<u>\$ 647,703</u>	<u>\$ 1,406,393</u>	<u>\$ 758,690</u>	<u>\$ 656,384</u>	<u>-</u>	<u>\$ 656,384</u>	<u>\$ 1,212,615</u>	<u>\$ 556,231</u>

**RECAPITULATION OF FUND BALANCE**

<b>Restricted Fund Balance:</b>		
Capital Reserve		\$ 215,700
Current Year Excess Surplus		181,199
Excess Surplus Designated of Subsequent Year's Expenditures		143,950
<b>Assigned Fund Balance:</b>		
Designated for Subsequent Year's Expenditures		543,912
<b>Unassigned Fund Balance</b>		<u>321,632</u>
<b>Subtotal</b>		1,406,393
<b>Reconciliation to Governmental Fund Statements (GAAP):</b>		
Last Two State Aid Payments Not Recognized on GAAP Basis		<u>(124,624)</u>
<b>Total Fund Balance per Governmental Funds (GAAP)</b>		<u>\$ 1,281,769</u>

**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
EDUCATION JOBS FUND PROGRAM -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013 AND 2012**

	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE)	JUNE 30, 2012				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Federal Sources:											
Education Jobs Fund	18-xxx	\$ -	\$ 8,798	\$ 8,798	\$ 8,798	\$ -	\$ 51,182	\$ -	\$ 51,182	\$ 43,987	\$ (7,195)
Total Federal Sources		-	8,798	8,798	8,798	-	51,182	-	51,182	43,987	(7,195)
Total Revenues		-	8,798	8,798	8,798	-	51,182	-	51,182	43,987	(7,195)
Expenditures:											
Regular Education:											
Salaries of Teachers:											
Grades 6 - 8	18-130-100-101	-	-	-	-	-	1,350	-	1,350	1,350	-
Total Regular Programs		-	-	-	-	-	1,350	-	1,350	1,350	-
Special Education:											
Multiple Disabilities:											
Other Salaries of Instruction	18-212-100-106	-	7,302	7,302	7,302	-	23,784	-	23,784	18,085	5,699
Total Multiple Disabilities		-	7,302	7,302	7,302	-	23,784	-	23,784	18,085	5,699
Resource Room / Resource Center:											
Other Salaries of Instruction	18-213-100-106	-	-	-	-	-	3,633	-	3,633	3,633	-
Total Resource Room / Resource Center		-	-	-	-	-	3,633	-	3,633	3,633	-
Undistributed Expenditures:											
Other Operation & Maintenance of Plant:											
Salaries	18-000-262-100	-	1,496	1,496	1,496	-	22,415	-	22,415	20,919	1,496
Total Other Operation & Maintenance of Plant		-	1,496	1,496	1,496	-	22,415	-	22,415	20,919	1,496
Total Expenditures		-	8,798	8,798	8,798	-	51,182	-	51,182	43,987	7,195
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	JUNE 30, 2013				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>										
State Sources	\$ -	\$ 1,020	\$ 1,020	\$ -	\$ (1,020)	\$ -	\$ 6,717	\$ 6,717	\$ 6,202	\$ (515)
Federal Sources	179,270	41,219	220,489	220,489	-	179,821	106,640	286,461	266,875	(19,586)
Local Sources	-	7,658	7,658	-	(7,658)	-	3,449	3,449	3,449	-
<b>Total Revenues</b>	<b>179,270</b>	<b>49,897</b>	<b>229,167</b>	<b>220,489</b>	<b>(8,678)</b>	<b>179,821</b>	<b>116,806</b>	<b>296,627</b>	<b>276,526</b>	<b>(20,101)</b>
<b>EXPENDITURES:</b>										
<b>Instruction:</b>										
Salaries of Teachers	36,565	11,393	47,958	47,958	-	28,323	9,528	37,851	37,851	-
Tuition	135,392	25,983	161,375	161,375	-	137,590	35,751	173,341	173,341	-
General Supplies	-	7,795	7,795	-	7,795	-	5,551	5,551	5,551	-
Other Purchased Services	-	33	33	33	-	6,542	31,266	37,808	24,660	13,148
Textbooks	-	370	370	-	370	-	-	-	-	-
<b>Total Instruction</b>	<b>171,957</b>	<b>45,574</b>	<b>217,531</b>	<b>209,366</b>	<b>8,165</b>	<b>172,455</b>	<b>82,096</b>	<b>254,551</b>	<b>241,403</b>	<b>13,148</b>
<b>Support Services:</b>										
Personal Services - Employee Benefits	7,313	2,508	9,821	9,821	-	5,664	1,907	7,571	6,511	1,060
Purchased Professional - Educational Services	-	-	-	-	-	-	702	702	702	-
Other Purchased Services	-	513	513	-	513	-	3,775	3,775	3,775	-
Travel	-	1,302	1,302	1,302	-	1,702	3,198	4,900	3,565	1,335
<b>Total Support Services</b>	<b>7,313</b>	<b>4,323</b>	<b>11,636</b>	<b>11,123</b>	<b>513</b>	<b>7,366</b>	<b>9,582</b>	<b>16,948</b>	<b>14,553</b>	<b>2,395</b>
<b>Facilities Acquisition &amp; Construction Services:</b>										
Other Professional & Technical Services	-	-	-	-	-	-	8,007	8,007	3,449	4,558
Instructional Equipment	-	-	-	-	-	-	17,121	17,121	17,121	-
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,128</b>	<b>25,128</b>	<b>20,570</b>	<b>4,558</b>
<b>Total Expenditures</b>	<b>179,270</b>	<b>49,897</b>	<b>229,167</b>	<b>220,489</b>	<b>8,678</b>	<b>179,821</b>	<b>116,806</b>	<b>296,627</b>	<b>276,526</b>	<b>20,101</b>
<b>Total Outflows</b>	<b>179,270</b>	<b>49,897</b>	<b>229,167</b>	<b>220,489</b>	<b>8,678</b>	<b>179,821</b>	<b>116,806</b>	<b>296,627</b>	<b>276,526</b>	<b>20,101</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

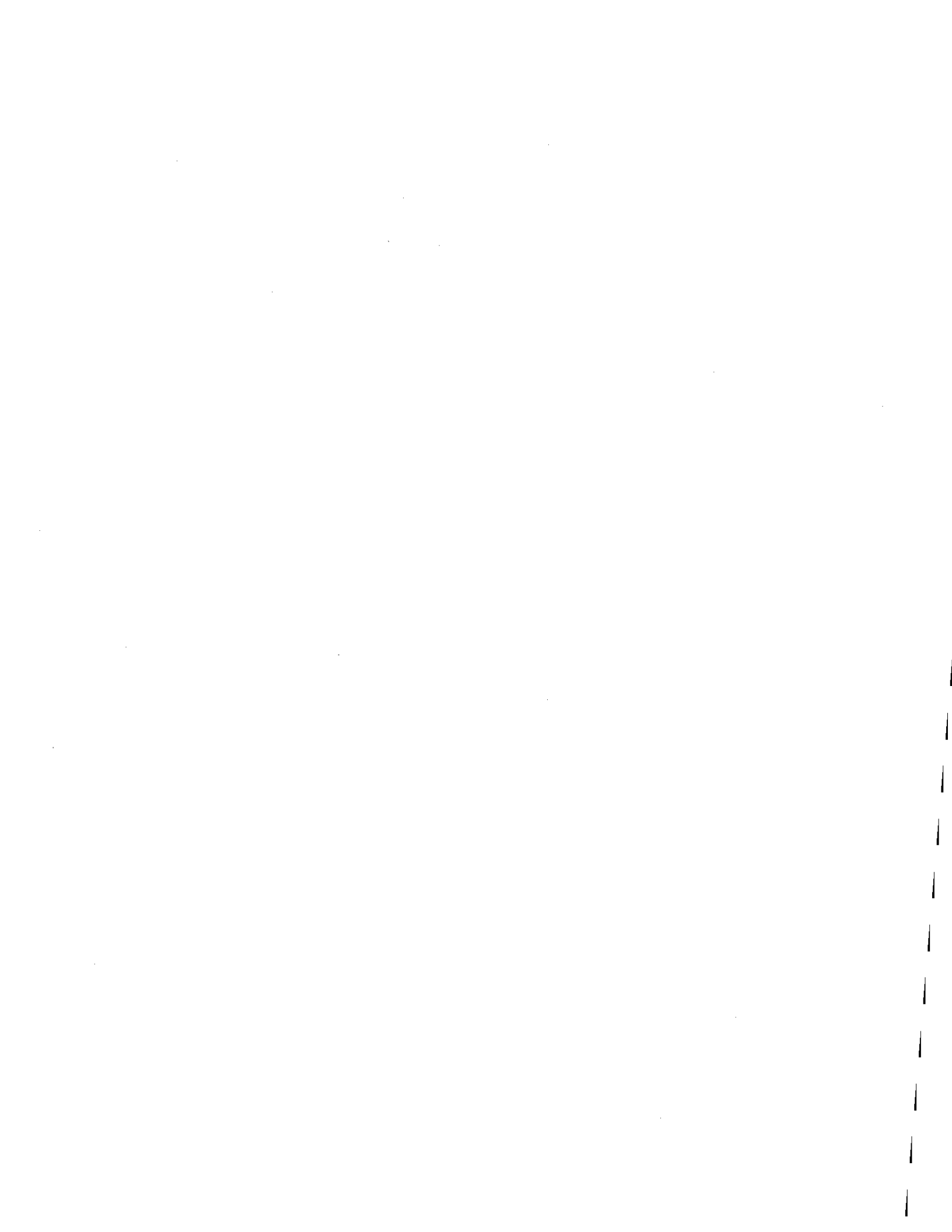
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**



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

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 9,325,546	\$ 220,489
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	116,654	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(124,624)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 9,317,576</u>	<u>\$ 220,489</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>\$ 9,131,768</u>	<u>\$ 220,489</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, & Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 9,131,768</u>	<u>\$ 220,489</u>





**OTHER SUPPLEMENTARY INFORMATION**



D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund



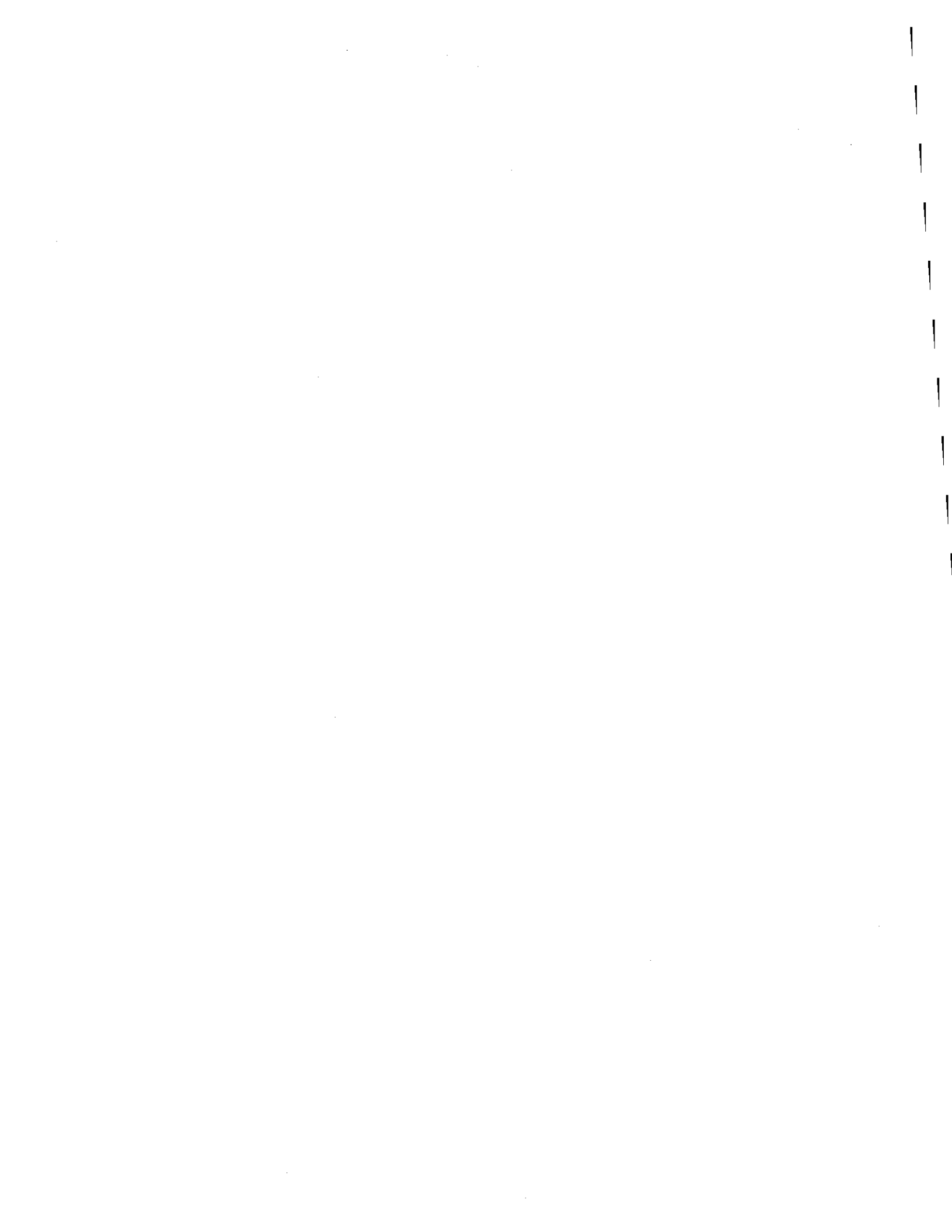
**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

	IDEA PART B BASIC	IDEA PART B PRESCHOOL	TITLE I PART A	TITLE II PART A	TITLE II PART D	2013	2012
<b>Revenues:</b>							
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,202
Federal Sources	152,085	9,290	52,117	6,964	33	220,489	266,875
Local Sources	-	-	-	-	-	-	3,449
<b>Total Revenues</b>	<b>\$ 152,085</b>	<b>\$ 9,290</b>	<b>\$ 52,117</b>	<b>\$ 6,964</b>	<b>\$ 33</b>	<b>\$ 220,489</b>	<b>\$ 276,526</b>
<b>Expenditures:</b>							
<b>Instruction:</b>							
Salaries of Teachers	\$ -	\$ -	\$ 42,346	\$ 5,612	\$ -	\$ 47,958	\$ 37,851
Tuition	152,085	9,290	-	-	-	161,375	173,341
Supplies	-	-	-	-	-	-	5,551
Other Purchased Service	-	-	-	-	33	33	24,660
<b>Total Instruction</b>	<b>152,085</b>	<b>9,290</b>	<b>42,346</b>	<b>5,612</b>	<b>33</b>	<b>209,366</b>	<b>241,403</b>
<b>Support Services:</b>							
Employee Benefits	-	-	8,469	1,352	-	9,821	6,511
Purchased Professional Educational Services	-	-	-	-	-	-	702
Other Purchased Service	-	-	-	-	-	-	3,775
Travel	-	-	1,302	-	-	1,302	3,565
<b>Total Support Services</b>	<b>-</b>	<b>-</b>	<b>9,771</b>	<b>1,352</b>	<b>-</b>	<b>11,123</b>	<b>14,553</b>
<b>Facilities Acquisition &amp; Construction Services:</b>							
Other Professional & Technical Services	-	-	-	-	-	-	3,449
Instructional Equipment	-	-	-	-	-	-	17,121
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,570</b>
<b>Total Expenditures</b>	<b>\$ 152,085</b>	<b>\$ 9,290</b>	<b>\$ 52,117</b>	<b>\$ 6,964</b>	<b>\$ 33</b>	<b>\$ 220,489</b>	<b>\$ 276,526</b>





F. Capital Projects Fund



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2013**

PROJECT	DATE	APPROPRIATION	EXPENDITURES TO DATE		PRIOR YEAR PAYABLES CANCELLED	UNEXPENDED BALANCE
			PRIOR YEAR	CURRENT YEAR		
Various Projects & Rehabilitations	1/12/11	\$ 9,645,657	\$ 8,464,757	\$ 474,184	\$ -	\$ 706,716
		Total	\$ 8,464,757	\$ 474,184	\$ -	\$ 706,716

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

Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	\$ 21,282
Construction Services	303,237
Equipment Purchases	<u>149,665</u>
Total Expenditures	<u>474,184</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(474,184)
Fund Balance - Beginning	<u>1,180,900</u>
Fund Balance - Ending	<u><u>\$ 706,716</u></u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
VARIOUS PROJECTS & REHABILITATIONS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
<b>Revenues &amp; Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 3,772,202	\$ -	\$ 3,772,202	\$ 3,772,202
Bond Proceeds	5,853,000	-	5,853,000	5,853,000
Transfer from Capital Reserve	20,455	-	20,455	20,455
<b>Total Reserve</b>	<b>9,645,657</b>	<b>-</b>	<b>9,645,657</b>	<b>9,645,657</b>
<b>Expenditures &amp; Other Financing Uses:</b>				
Purchased Professional & Technical Services	1,084,979	21,282	1,106,261	914,505
Construction Services	7,345,778	303,237	7,649,015	7,668,368
Equipment Purchases	34,000	149,665	183,665	160,974
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>8,464,757</b>	<b>474,184</b>	<b>8,938,941</b>	<b>8,743,847</b>
<b>Excess/Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$ 1,180,900</b>	<b>\$ (474,184)</b>	<b>\$ 706,716</b>	<b>\$ 901,810</b>

**ADDITIONAL PROJECT INFORMATION**

Project Number	1910-050-09-0ZQO
Grant Date	12/30/2009
Bond Authorization Date	1/21/2011
Bonds Authorized	\$ 5,853,000
Bonds Issued	5,853,000
Original Authorized Cost	9,625,202
Additional Authorized Cost	(881,355)
Revised Authorized Cost	8,743,847
Percentage Increase Over Original Authorized Cost	
Percentage Completion	92.67%
Original Target Completion Date	5/1/2011
Revised Target Completion Date	8/1/2013

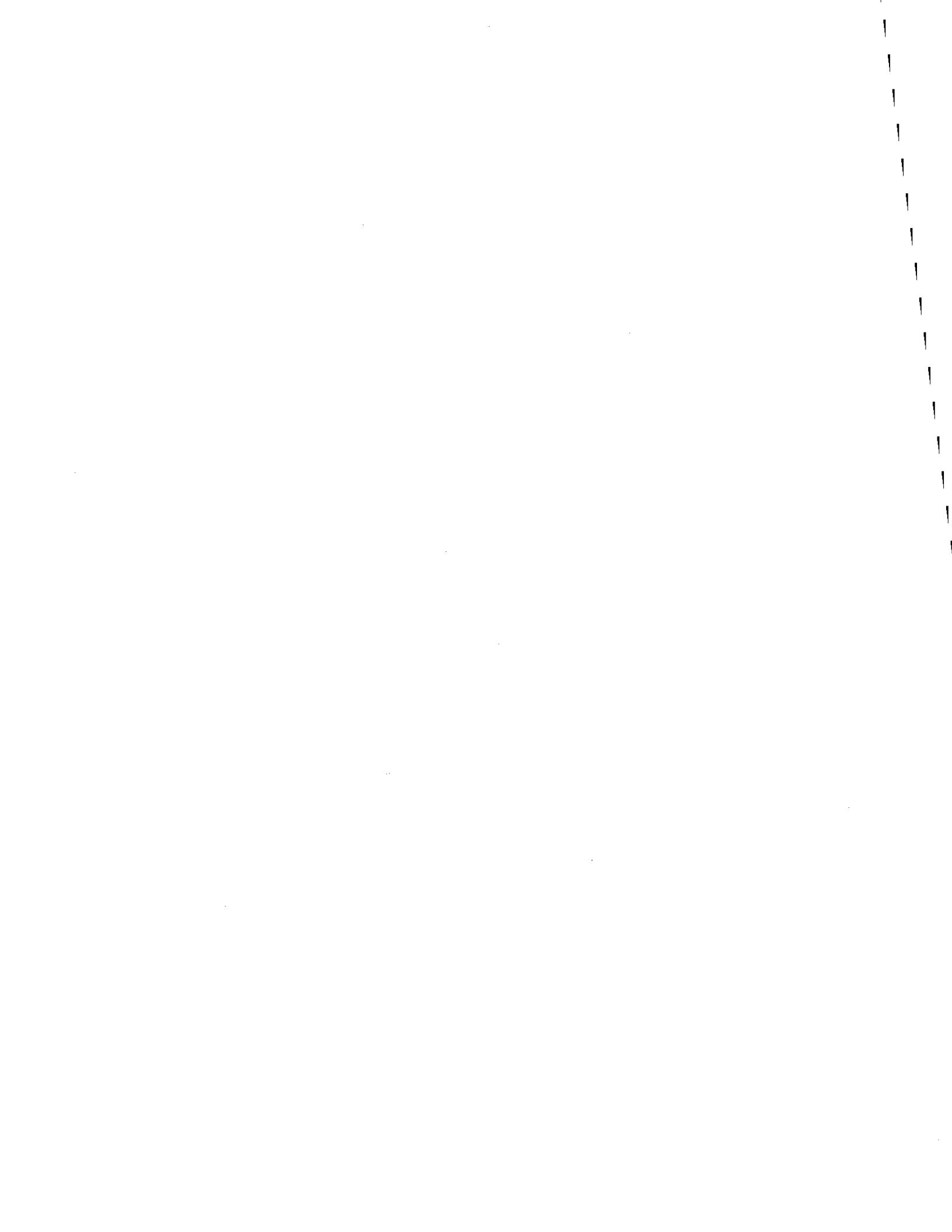


## G. Proprietary Funds





## Enterprise Funds



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF NET POSITION  
AS OF JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

ASSETS	FOOD SERVICE FUND	2013	2012
Current Assets:			
Cash & Cash Equivalents	\$ 5,179	\$ 5,179	\$ 9,389
Accounts Receivable:			
State	311	311	219
Federal	3,211	3,211	3,902
Inventories	7,347	7,347	8,027
	<hr/>	<hr/>	<hr/>
Total Current Assets	16,048	16,048	21,537
Noncurrent Assets:			
Equipment	175,265	175,265	175,265
Less: Accumulated Depreciation	(156,901)	(156,901)	(150,440)
	<hr/>	<hr/>	<hr/>
Total Noncurrent Assets	18,364	18,364	24,825
	<hr/>	<hr/>	<hr/>
Total Assets	34,412	34,412	46,362
	<hr/>	<hr/>	<hr/>
NET POSITION			
Invested in Capital Assets	18,364	18,364	24,825
Unrestricted	16,048	16,048	21,537
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 34,412	\$ 34,412	\$ 46,362
	<hr/>	<hr/>	<hr/>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**AS OF JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

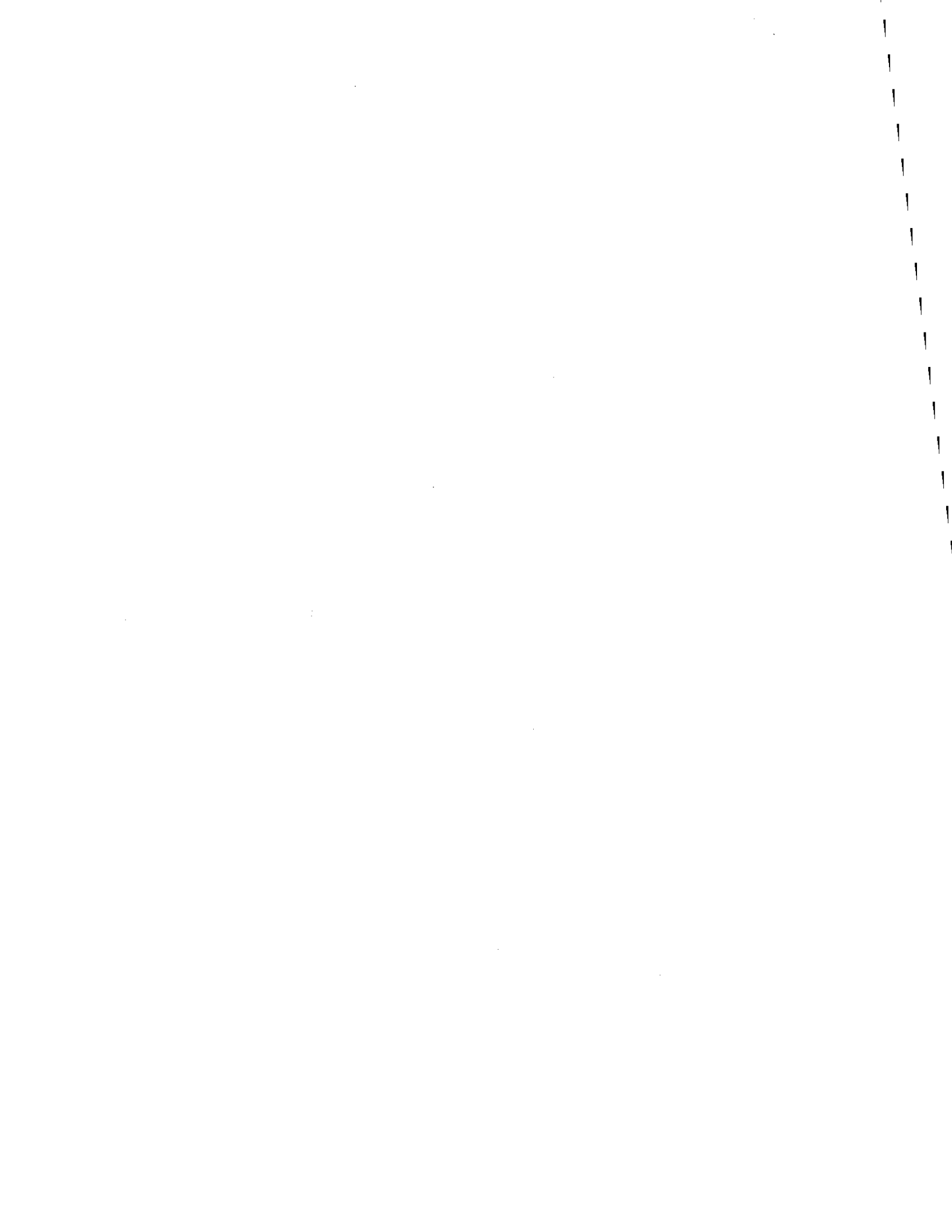
	FOOD SERVICE FUND	2013	2012
Operating Revenues:			
Local Sources:			
Daily Sales:			
Reimbursable Programs	\$ 94,150	\$ 94,150	\$ 103,198
Nonreimbursable Programs	59,518	59,518	64,099
Total Operating Revenue	<u>153,668</u>	<u>153,668</u>	<u>167,297</u>
Operating Expenses:			
Cost of Sales	100,421	100,421	107,622
Supplies & Materials	7,126	7,126	6,355
Salaries & Fringe Benefits	95,102	95,102	95,917
Management Fee	12,017	12,017	11,730
Cleaning, Maintenance & Repairs	8,439	8,439	5,653
Miscellaneous	7,137	7,137	5,879
Depreciation	6,461	6,461	11,308
Total Operating Expenses	<u>236,703</u>	<u>236,703</u>	<u>244,464</u>
Operating Income/(Loss)	<u>(83,035)</u>	<u>(83,035)</u>	<u>(77,167)</u>
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	2,495	2,495	2,585
Federal Sources:			
National School Lunch Program	50,396	50,396	46,014
Food Distribution Program	18,178	18,178	16,134
Local Sources:			
Interest Revenue	16	16	23
Total Nonoperating Revenues/(Expenses)	<u>71,085</u>	<u>71,085</u>	<u>64,756</u>
Change in Net Position	(11,950)	(11,950)	(12,411)
Total Net Position - Beginning	<u>46,362</u>	<u>46,362</u>	<u>58,773</u>
Total Net Position - Ending	<u>\$ 34,412</u>	<u>\$ 34,412</u>	<u>\$ 46,362</u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**AS OF JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

	FOOD SERVICE FUND	2013	2012
<b>Cash Flows From Operating Activities:</b>			
Receipts from Customers	\$ 154,267	\$ 154,267	\$ 163,317
Payments to Employees	(95,102)	(95,102)	(95,917)
Payments to Suppliers	(134,460)	(134,460)	(137,105)
	<u>(75,295)</u>	<u>(75,295)</u>	<u>(69,705)</u>
<b>Net Cash Provided/(Used) by Operating Activities</b>			
<b>Cash Flows From Capital &amp; Related Financing Activities:</b>			
Cash Received From State Sources	2,495	2,495	2,585
Cash Received From Federal Sources	68,574	68,574	62,148
Acquisition of Fixed Assets	-	-	(8,176)
	<u>71,069</u>	<u>71,069</u>	<u>56,557</u>
<b>Net Cash Provided by Capital &amp; Related Financing Activities</b>			
<b>Cash Flows From Investing Activities:</b>			
Interest on Cash Equivalents	16	16	23
	<u>16</u>	<u>16</u>	<u>23</u>
<b>Net Cash Provided by Investing Activities</b>			
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>			
	(4,210)	(4,210)	(13,125)
Cash & Cash Equivalents, July 1	9,389	9,389	22,514
	<u>\$ 5,179</u>	<u>\$ 5,179</u>	<u>\$ 9,389</u>
<b>Cash and Cash Equivalents, June 30</b>			

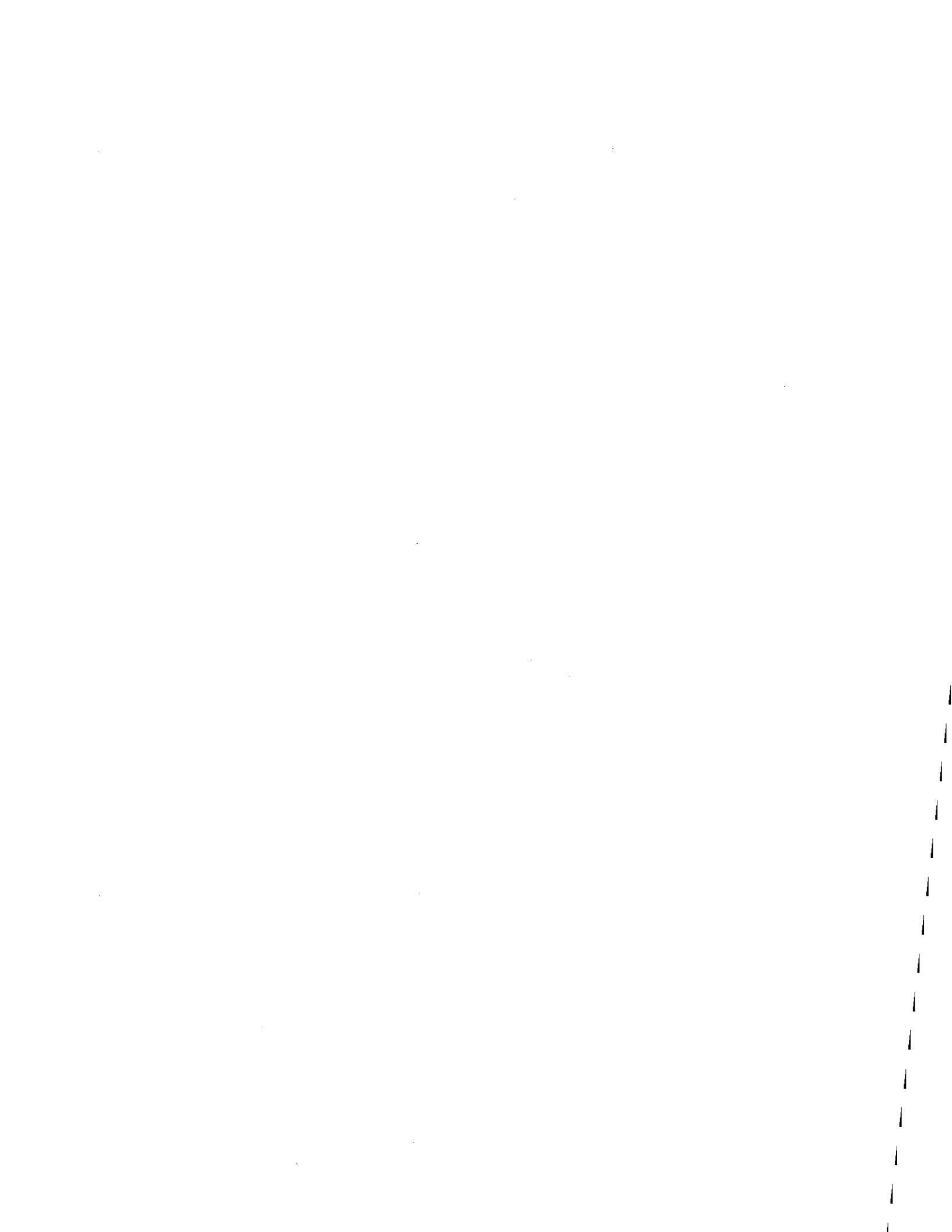
**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	\$ (83,035)	\$ (83,035)	\$ (77,167)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	6,461	6,461	11,308
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	680	680	134
(Increase)/Decrease in Accounts Receivable	599	599	(3,980)
	<u>\$ (75,295)</u>	<u>\$ (75,295)</u>	<u>\$ (69,705)</u>
<b>Net Cash Provided/(Used) by Operating Activities</b>			



Internal Service Fund

Not Applicable





## H. Fiduciary Fund



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

ASSETS	TRUST FUNDS		AGENCY FUNDS		2013	2012
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION	STUDENT ACTIVITY	PAYROLL		
Cash & Cash Equivalents	\$ 9,319	\$ 3,701	\$ 19,933	\$ 6,240	\$ 39,193	\$ 39,389
Total Assets	9,319	3,701	19,933	6,240	39,193	39,389
<b>LIABILITIES</b>						
Payroll Deductions Payable	-	-	-	6,240	6,240	7,666
Due to Student Groups	-	-	19,933	-	19,933	17,732
Total Liabilities	-	-	19,933	6,240	26,173	25,398
<b>NET POSITION</b>						
Held in Trust for Unemployment Claims	-	3,701	-	-	3,701	4,406
Held in Trust for Scholarships	9,319	-	-	-	9,319	9,585
Total Net Position	\$ 9,319	\$ 3,701	\$ -	\$ -	\$ 13,020	\$ 13,991

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**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMPARATIVE COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(With Comparative Totals for June 30, 2012)**

	PRIVATE PURPOSE		2013	2012
	SCHOLARSHIP FUNDS	UNEMPLOYMENT COMPENSATION		
Operating Revenues:				
Local Sources:				
Interest on Investments	\$ 9	\$ 6	\$ 15	\$ 14
Employee Withholdings	-	9,657	9,657	9,110
Total Operating Revenues	9	9,663	9,672	9,124
Operating Expenditures:				
Unemployment Compensation Claims	-	10,368	10,368	5,382
Scholarships	275	-	275	282
Total Operating Expenses	275	10,368	10,643	5,664
Excess/(Deficit) of Revenues Over				
Expenditures	(266)	(705)	(971)	3,460
Net Position, July 1	9,585	4,406	13,991	10,531
Net Position, June 30	\$ 9,319	\$ 3,701	\$ 13,020	\$ 13,991

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

ASSETS	BALANCE JULY 1, 2012	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2013
Hainesport School	\$ 17,732	\$ 42,780	\$ 40,579	\$ 19,933
Total Assets	<u>\$ 17,732</u>	<u>\$ 42,780</u>	<u>\$ 40,579</u>	<u>\$ 19,933</u>

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

ASSETS	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
Cash & Cash Equivalents	\$ 7,666	\$ 5,715,165	\$ 5,716,591	\$ 6,240
Total Assets	<u>\$ 7,666</u>	<u>\$ 5,715,165</u>	<u>\$ 5,716,591</u>	<u>\$ 6,240</u>
 <b>LIABILITIES</b>				
Net Payroll	\$ -	\$ 3,231,144	\$ 3,231,144	\$ -
Payroll Deductions & Withholdings	7,666	2,484,021	2,485,447	6,240
Total Liabilities	<u>\$ 7,666</u>	<u>\$ 5,715,165</u>	<u>\$ 5,716,591</u>	<u>\$ 6,240</u>



## I. Long-Term Debt





**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
JUNE 30, 2013**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2012	ISSUED	RETIRED	BALANCE JUNE 30, 2013
			DATE	AMOUNT					
New Jersey Public School Facilities:									
Loan Assistance Programs Loan Award	08/18/93	\$ 200,690	07/15/13	\$ 10,565	1.50%	\$ 21,127	\$ -	\$ 10,562	\$ 10,565
Small Projects Loan	08/18/93	602,070	07/15/13	44,604	5.288%	87,304	-	42,700	44,604
Refunding 1997 Issue	02/01/04	4,990,000	02/01/14	480,000	3.50%	2,530,000	-	455,000	2,075,000
			02/01/15	500,000	3.75%				
			02/01/16	525,000	3.75%				
			02/01/17	570,000	4.00%				
School Bonds	01/21/10	5,853,000	1/15/14	70,000	2.50%	5,753,000	-	70,000	5,683,000
			1/15/15	70,000	2.50%				
			1/15/16	70,000	2.50%				
			1/15/17	70,000	3.00%				
			1/15/18	595,000	3.00%				
			1/15/19	570,000	3.50%				
			1/15/20	545,000	3.50%				
			1/15/21	475,000	4.00%				
			1/15/22	450,000	4.00%				
			1/15/23	425,000	4.00%				
			1/15/24	400,000	4.00%				
			1/15/25	375,000	4.00%				
			1/15/26	350,000	4.00%				
			1/15/27	325,000	4.00%				
			1/15/28	310,000	4.00%				
			1/15/29	300,000	4.00%				
1/15/30	283,000	4.13%							
Total						<u>\$ 8,391,431</u>	<u>\$ -</u>	<u>\$ 578,262</u>	<u>\$ 7,813,169</u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	JUNE 30, 2013				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	\$ 799,167	\$ -	\$ 799,167	\$ 799,167	\$ -	\$ 788,941	\$ -	\$ 788,941	\$ 788,941	\$ -
State Sources:										
Debt Service Aid Type II	85,358	-	85,358	85,358	-	85,238	-	85,238	85,238	-
Total Revenues	884,525	-	884,525	884,525	-	874,179	-	874,179	874,179	-
Expenditures										
Regular Debt Service:										
Interest	313,899	-	313,899	313,899	-	331,768	-	331,768	331,768	-
Redemption of Principal	578,262	-	578,262	578,262	-	551,448	-	551,448	551,448	-
Total Expenditures	892,161	-	892,161	892,161	-	883,216	-	883,216	883,216	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(7,636)	-	(7,636)	(7,636)	-	(9,037)	-	(9,037)	(9,037)	-
Other Financing Sources:										
Operating Transfers In	-	-	-	3,650	3,650	-	-	-	1,674	1,674
Total Other Financing Sources	-	-	-	3,650	3,650	-	-	-	1,674	1,674
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	(7,636)	-	(7,636)	(3,986)	3,650	(9,037)	-	(9,037)	(7,363)	1,674
Fund Balance, July 1	7,976	-	7,976	7,976	-	15,339	-	15,339	15,339	-
Fund Balance, June 30	\$ 340	-	\$ 340	\$ 3,990	\$ 3,650	\$ 6,302	-	\$ 6,302	\$ 7,976	\$ 1,674

**STATISTICAL SECTION (Unaudited)**



**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*

FISCAL YEAR ENDING JUNE 30,

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental Activities:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$ 5,427,129	\$ 4,760,097	\$ 1,797,899	\$(3,640,978)	\$ 1,092,687	\$ 850,905	\$ 699,744	\$ 639,738	\$ 465,715	\$ 230,903
Restricted	1,656,735	1,965,048	4,079,480	9,041,522	557,534	755,069	964,860	967,645	563,831	340,024
Unrestricted	(302,783)	(331,769)	(311,657)	(390,618)	(453,681)	(383,474)	(282,601)	(537,888)	(382,863)	(136,957)
<b>Total Governmental Activities</b>										
Net Position	<u>\$ 6,781,081</u>	<u>\$ 6,393,376</u>	<u>\$ 5,565,722</u>	<u>\$ 5,009,926</u>	<u>\$ 1,196,540</u>	<u>\$ 1,222,500</u>	<u>\$ 1,382,003</u>	<u>\$ 1,069,494</u>	<u>\$ 646,683</u>	<u>\$ 433,970</u>
<b>Business-Type Activities:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$ 18,364	\$ 24,825	\$ 27,957	\$ 25,758	\$ 36,004	\$ 46,250	\$ 56,497	\$ 66,745	\$ 76,991	\$ 87,237
Unrestricted	16,048	21,537	30,816	45,836	36,365	27,945	32,961	14,338	8,452	21,498
<b>Total Business-Type Activities</b>										
Net Position	<u>\$ 34,412</u>	<u>\$ 46,362</u>	<u>\$ 58,773</u>	<u>\$ 71,594</u>	<u>\$ 72,369</u>	<u>\$ 74,195</u>	<u>\$ 89,458</u>	<u>\$ 81,083</u>	<u>\$ 85,443</u>	<u>\$ 108,735</u>
<b>District-Wide:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$ 5,445,493	\$ 4,784,922	\$ 1,825,856	\$(3,615,220)	\$ 1,128,691	\$ 897,155	\$ 756,241	\$ 706,483	\$ 542,706	\$ 318,140
Restricted	1,656,735	1,965,048	4,079,480	9,041,522	557,534	755,069	964,860	967,645	563,831	340,024
Unrestricted	(286,735)	(310,232)	(280,841)	(344,782)	(417,316)	(355,529)	(249,640)	(523,550)	(374,411)	(115,459)
<b>Total District Net Position</b>	<u>\$ 6,815,493</u>	<u>\$ 6,439,738</u>	<u>\$ 5,624,495</u>	<u>\$ 5,081,520</u>	<u>\$ 1,268,909</u>	<u>\$ 1,296,695</u>	<u>\$ 1,471,461</u>	<u>\$ 1,150,577</u>	<u>\$ 732,126</u>	<u>\$ 542,705</u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 2,856,967	\$ 2,844,048	\$ 2,712,862	\$ 3,006,838	\$ 3,270,169	\$ 3,242,491	\$ 3,105,943	\$ 2,982,576	\$ 4,070,989	\$ 3,298,678
Special Education	1,028,678	975,785	948,708	342,215	592,843	627,149	602,389	499,941	534,834	521,198
Other Instruction	130,141	117,169	90,950	1,045,373	337,861	374,962	279,590	319,072	170,544	173,898
Support Services & Undistributed Costs:										
Tuition	126,004	109,621	180,687	40,606	162,611	195,680	119,028	54,701	175,439	121,033
Student & Instruction Related Services	1,018,276	929,005	864,118	842,708	251,134	243,644	239,983	237,340	241,169	184,989
General & Business Administrative Services	464,490	469,545	470,951	606,213	359,778	331,099	401,559	333,831	381,778	367,057
Central Services	197,523	194,514	204,368	209,806	204,439	197,652	176,262	166,389	165,436	
Plant Operations & Maintenance	591,871	637,909	684,113	690,863	670,793	710,586	600,518	470,160	452,306	586,183
Pupil Transportation	483,172	451,866	495,641	404,197	442,779	484,950	450,249	446,995	458,449	319,880
Business & Other Support Services	-	-	-	-	-	-	-	-	-	164,712
Unallocated Employee Benefits	2,405,015	2,223,838	2,084,430	2,135,543	2,065,618	2,183,718	1,977,556	1,701,561	-	-
Special Schools	18,092	2,736	3,054	25,498	21,456	27,062	16,360	10,399	6,683	7,525
Interest on Long-Term Debt	332,612	330,103	346,958	242,451	161,566	181,349	196,903	211,452	322,647	528,242
Reduction In Compensated Absences	(3,877)	(14,419)	7,749	(47,199)	-	-	-	-	-	-
Unallocated Depreciation	389,571	198,080	292,583	221,839	33,989	35,126	35,347	35,021	33,916	24,436
Total Governmental Activities Expenses	10,038,535	9,469,800	9,387,172	9,766,951	9,508,198	9,682,990	8,933,372	8,196,078	7,802,192	7,163,964
Business-Type Activities:										
Food Service	236,703	244,464	249,694	250,631	242,376	246,433	211,239	181,523	180,957	174,839

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Business-Type Activities Expense	236,703	244,464	249,694	250,631	242,376	246,433	211,239	181,523	180,957	174,839
Total District Expenses	<u>\$ 10,275,238</u>	<u>\$ 9,714,264</u>	<u>\$ 9,636,866</u>	<u>\$ 10,017,582</u>	<u>\$ 9,750,574</u>	<u>\$ 9,929,423</u>	<u>\$ 9,144,611</u>	<u>\$ 8,377,601</u>	<u>\$ 7,983,149</u>	<u>\$ 7,338,803</u>
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$ 220,489	\$ 255,956	\$ 246,661	\$ 261,175	\$ 875,347	\$ 1,026,259	\$ 1,015,823	\$ 762,721	\$ 679,356	\$ 645,201
Total Governmental Activities Program Revenues	<u>220,489</u>	<u>255,956</u>	<u>246,661</u>	<u>261,175</u>	<u>875,347</u>	<u>1,026,259</u>	<u>1,015,823</u>	<u>762,721</u>	<u>679,356</u>	<u>645,201</u>
Business-Type Activities:										
Charges for Services:										
Food Service	153,668	167,297	176,660	185,569	179,098	173,857	168,696	134,912	117,477	124,334
Operating Grants & Contributions	71,069	64,733	59,774	63,995	61,323	56,676	50,118	41,840	39,998	43,330
Total Business-Type Activities Program Revenues	<u>224,737</u>	<u>232,030</u>	<u>236,434</u>	<u>249,564</u>	<u>240,421</u>	<u>230,533</u>	<u>218,814</u>	<u>176,752</u>	<u>157,475</u>	<u>167,664</u>
Total District Program Revenues	<u>\$ 445,226</u>	<u>\$ 487,986</u>	<u>\$ 483,095</u>	<u>\$ 510,739</u>	<u>\$ 1,115,768</u>	<u>\$ 1,256,792</u>	<u>\$ 1,234,637</u>	<u>\$ 939,473</u>	<u>\$ 836,831</u>	<u>\$ 812,865</u>
Net/(Expense)/Revenue:										
Governmental Activities	\$ (9,818,046)	\$ (9,213,844)	\$ (9,140,511)	\$ (9,505,776)	\$ (8,632,851)	\$ (8,656,731)	\$ (7,917,549)	\$ (7,433,357)	\$ (7,122,836)	\$ (6,518,763)
Business-Type Activities	(11,966)	(12,434)	(13,260)	(1,067)	(1,955)	(15,900)	7,575	(4,771)	(23,482)	(7,175)
Total District-Wide Net Expense	<u>\$ (9,830,012)</u>	<u>\$ (9,226,278)</u>	<u>\$ (9,153,771)</u>	<u>\$ (9,506,843)</u>	<u>\$ (8,634,806)</u>	<u>\$ (8,672,631)</u>	<u>\$ (7,909,974)</u>	<u>\$ (7,438,128)</u>	<u>\$ (7,146,318)</u>	<u>\$ (6,525,938)</u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General										
General Purposes, Net	\$ 6,952,443	\$ 6,934,825	\$ 6,804,063	\$ 6,588,096	\$ 6,424,790	\$ 6,289,590	\$ 6,053,150	\$ 5,745,356	\$ 5,359,697	\$ 4,502,882
Taxes Levied for Debt Service	799,167	788,941	731,242	506,624	505,786	492,912	504,147	493,357	485,493	508,393
Unrestricted Grants &										
Contributions	2,319,140	2,193,908	1,873,911	6,026,342	1,508,966	1,561,782	1,515,225	1,513,067	1,454,006	1,420,635
Tuition Received	87,086	66,000	112,567	135,433	106,260	38,289	46,882	4,265	-	1,093
Investment Earnings	500	2,208	2,461	3,223	3,935	12,235	11,891	10,270	1,916	1,013
Miscellaneous Income	47,414	55,616	172,063	59,444	57,154	102,420	98,763	89,853	30,047	15,272
Arbitrage Rebate Payment	-	-	-	-	-	-	-	-	(9,429)	-
Cancellation of Debt Due to										
State Refunding	-	-	-	-	-	-	-	-	13,819	-
Cancellation of Arbitrage										
Rebate Payable	-	-	-	-	-	-	-	-	-	12,171
<b>Total Governmental Activities</b>	<b>10,205,750</b>	<b>10,041,498</b>	<b>9,696,307</b>	<b>13,319,162</b>	<b>8,606,891</b>	<b>8,497,228</b>	<b>8,230,058</b>	<b>7,856,168</b>	<b>7,335,549</b>	<b>6,461,459</b>
Business-Type Activities:										
Investment Earnings	16	23	439	292	129	637	800	411	190	50
<b>Total Business-Type Activities</b>	<b>16</b>	<b>23</b>	<b>439</b>	<b>292</b>	<b>129</b>	<b>637</b>	<b>800</b>	<b>411</b>	<b>190</b>	<b>50</b>
<b>Total District-Wide</b>	<b>\$ 10,205,766</b>	<b>\$ 10,041,521</b>	<b>\$ 9,696,746</b>	<b>\$ 13,319,454</b>	<b>\$ 8,607,020</b>	<b>\$ 8,497,865</b>	<b>\$ 8,230,858</b>	<b>\$ 7,856,579</b>	<b>\$ 7,335,739</b>	<b>\$ 6,461,509</b>
Change in Net Position:										
Governmental Activities	\$ 387,704	\$ 827,654	\$ 555,796	\$ 3,813,386	\$ (25,960)	\$ (159,503)	\$ 312,509	\$ 422,811	\$ 212,713	\$ (57,304)
Business-Type Activities	(11,950)	(12,411)	(12,821)	(775)	(1,826)	(15,263)	8,375	(4,360)	(23,292)	(7,125)
<b>Total District-Wide</b>	<b>\$ 375,754</b>	<b>\$ 815,243</b>	<b>\$ 542,975</b>	<b>\$ 3,812,611</b>	<b>\$ (27,786)</b>	<b>\$ (174,766)</b>	<b>\$ 320,884</b>	<b>\$ 418,451</b>	<b>\$ 189,421</b>	<b>\$ (64,429)</b>



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:										
Restricted	\$ 540,849	\$ 485,302	\$ 361,412	\$ 258,445	\$ 255,222	\$ 246,337	\$ 426,835	\$ 612,432	\$ 50,592	\$ 158,721
Assigned To	543,912	438,760	143,578	-	-	-	-	-	-	-
Unassigned	197,008	171,899	206,430	131,616	420,818	715,631	715,369	378,160	556,735	213,682
<b>Total General Fund</b>	<b>1,281,769</b>	<b>1,095,961</b>	<b>711,420</b>	<b>390,061</b>	<b>676,040</b>	<b>961,968</b>	<b>1,142,204</b>	<b>990,592</b>	<b>607,327</b>	<b>372,403</b>
All Other Governmental Funds:										
Committed To	\$ -	\$ 279,090	\$ 1,868,283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned To	-	7,636	9,037	-	-	-	-	-	-	-
Restricted, Reported in:										
Capital Projects Fund	706,716	901,810	1,848,076	8,909,209	-	5,238	20,865	36,652	40,123	73,921
Debt Service Fund	3,990	340	6,302	23,423	618	1,946	14,550	14,724	10,988	7,382
<b>Total All Other Governmental Funds</b>	<b>\$ 710,706</b>	<b>\$ 1,188,876</b>	<b>\$ 3,731,698</b>	<b>\$ 8,932,632</b>	<b>\$ 618</b>	<b>\$ 7,184</b>	<b>\$ 35,415</b>	<b>\$ 51,376</b>	<b>\$ 51,111</b>	<b>\$ 81,303</b>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Revenues:</b>										
Tax Levy	\$ 7,751,611	\$ 7,723,767	\$ 7,535,305	\$ 7,094,720	\$ 6,930,576	\$ 6,782,502	\$ 6,557,297	\$ 6,238,713	\$ 5,845,190	\$ 5,011,275
Tuition	87,086	66,000	112,567	135,433	106,260	38,289	46,882	4,265	-	1,093
Interest Earnings	500	2,208	2,461	3,223	3,935	12,235	11,891	10,270	19,350	6,357
Miscellaneous	47,414	55,616	172,063	59,444	57,154	102,420	98,763	89,854	11,102	4,408
State Sources	2,294,571	2,128,179	1,858,476	5,849,596	2,166,147	2,404,670	2,333,047	2,082,458	1,945,544	1,884,509
Federal Sources	245,058	321,685	262,096	437,921	218,166	183,371	198,001	193,330	187,818	181,326
<b>Total Revenue</b>	<b>10,426,240</b>	<b>10,297,455</b>	<b>9,942,968</b>	<b>13,580,337</b>	<b>9,482,238</b>	<b>9,523,487</b>	<b>9,245,881</b>	<b>8,618,890</b>	<b>8,009,004</b>	<b>7,088,968</b>
<b>Expenditures:</b>										
<b>Current Expense:</b>										
Regular Instruction	2,856,967	2,844,048	2,712,862	3,006,838	3,108,594	2,945,509	2,940,551	2,790,996	2,597,922	2,448,084
Special Education Instruction	1,028,678	975,785	948,708	342,215	592,843	627,149	602,389	499,941	504,665	396,282
Other Instruction	130,141	117,169	90,950	1,045,373	337,861	374,962	279,590	319,072	161,555	133,854
<b>Support Services:</b>										
Tuition	126,004	109,621	180,687	40,606	162,611	195,680	119,028	54,701	175,439	121,033
Student & Instruction Related Services	1,018,276	929,005	864,118	842,708	933,162	847,522	731,685	726,640	759,503	717,165
School Administrative Service:	159,784	161,021	161,823	253,819	251,134	243,644	239,983	306,462	228,122	143,078
General Administrative Service:	304,706	308,524	309,128	364,400	333,442	303,625	373,864	237,340	346,075	291,308
Central Services	197,523	194,514	204,368	209,806	204,439	197,652	176,262	166,389	156,105	
Plant Operations & Maintenance	591,871	637,909	684,113	690,863	669,978	677,799	599,651	528,222	515,149	492,432
Pupil Transportation	483,172	451,866	495,641	404,197	429,611	471,213	436,402	402,384	382,039	302,812
Other Support Services	2,405,015	2,223,838	2,084,430	2,135,543	2,065,618	2,183,718	1,977,558	1,596,282	1,359,749	1,313,243
Special Schools	18,092	2,736	3,054	25,498	21,456	27,062	16,360	10,399	6,300	5,685
Capital Outlay	506,212	2,616,484	5,239,350	822,442	61,120	234,762	15,787	3,471	-	9,293
<b>Debt Service:</b>										
Principal	578,262	551,448	499,763	453,160	431,672	410,207	398,823	372,492	367,461	290,111
Interest & Other Charges	313,899	331,768	343,548	149,834	171,191	191,470	202,299	220,589	211,901	317,722

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Expenditures	10,718,602	12,455,736	14,822,543	10,787,302	9,774,732	9,931,974	9,110,232	8,235,380	7,771,985	6,982,102
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(292,362)	(2,158,281)	(4,879,575)	2,793,035	(292,494)	(408,487)	135,649	383,510	237,019	106,866
Other Financing Sources/(Uses):										
Proceeds from Bond Issuance	-	-	-	5,853,000	-	-	-	-	-	4,990,000
Accrued Interest on Sale of Bonds	-	-	-	-	-	-	-	-	-	4,691
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	(5,139,192)
Premium on Bonded Debt Lease Purchase Agreement	-	-	-	-	-	-	-	-	-	149,192
Transfers In	3,650	22,129	21,316	23,414	5,238	23,404	1,337	1,584	1,511	829
Transfers Out	(3,650)	(22,129)	(21,316)	(23,414)	(5,238)	(23,404)	(1,337)	(1,584)	-	-
Total Other Financing Sources/ (Uses)	-	-	-	5,853,000	-	200,000	-	-	1,511	5,520
Net Change in Fund Balance	\$ (292,362)	\$ (2,158,281)	\$ (4,879,575)	\$ 8,646,035	\$ (292,494)	\$ (208,487)	\$ 135,649	\$ 383,510	\$ 238,530	\$ 112,386
Debt Service as a Percentage of Noncapital Expenditures	8.74%	8.98%	8.80%	6.05%	6.21%	6.20%	6.61%	7.20%	7.45%	8.72%

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

FISCAL YEAR ENDED JUNE 30,	INTEREST ON INVESTMENTS	TUITION	PRIOR YEAR REFUNDS	RENTAL OF FACILITIES	SALE OF SCHOOL BUSES	MISCELLANEOUS	TOTAL
2013	\$ 2,238	\$ 87,086	\$ 7,446	\$ 10,004	\$ -	\$ 24,576	\$ 131,350
2012	2,284	66,000	23,218	5,938	-	21,261	118,701
2011	15,805	112,567	-	-	119,000	18,403	265,775
2010	13,661	135,433	5,664	5,988	-	9,806	170,552
2009	20,895	106,260	33,801	5,366	-	1,027	167,349
2008	84,393	38,289	13,030	8,725	-	8,507	152,944
2007	100,675	46,882	-	9,120	-	859	157,536
2006	54,137	4,265	22,119	6,060	-	17,808	104,389
2005	19,350	-	5,483	4,335	-	1,284	30,452
2004	6,357	1,093	-	3,275	-	1,133	11,858

Source: District Records

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL	ESTIMATED
												SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
*2013	\$ 15,858,500	\$ 607,273,000	\$ 9,180,700	\$356,600	\$ 78,592,900	\$ 48,382,700	\$ 606,000	\$ 760,250,400	\$ 1,178,706	\$ 761,429,106	\$ 43,909,000	1.029	\$ -
2012	7,072,400	359,354,600	4,916,000	321,000	40,490,733	26,969,900	247,500	439,372,133	723,220	440,095,353	16,960,900	1.761	-
2011	7,353,700	356,556,700	5,219,500	349,100	40,933,333	27,543,700	247,500	438,203,533	734,285	438,937,818	16,286,400	1.760	-
2010	7,509,600	355,461,900	5,618,900	221,300	42,825,433	28,180,100	247,500	440,064,733	935,159	440,999,892	15,613,500	1.709	-
2009	9,394,000	353,561,400	5,818,900	221,300	39,800,433	29,918,500	247,500	438,962,033	864,453	439,826,486	15,583,900	1.614	865,077,124
2008	9,168,000	351,430,400	5,768,600	221,300	39,889,933	29,918,500	247,500	436,644,233	657,300	437,301,533	15,425,600	1.584	-
2007	8,893,800	352,740,900	4,762,400	221,700	35,102,400	30,836,700	247,500	432,805,400	888,480	433,693,880	15,425,600	1.565	817,347,978
2006	10,628,000	340,352,400	5,157,900	223,200	40,020,700	27,174,900	247,500	423,804,600	1,002,720	424,807,320	15,218,500	1.544	701,924,862
2005	11,632,100	330,499,200	5,174,600	227,200	38,929,900	26,315,800	247,500	413,026,300	1,103,105	414,129,405	15,317,000	1.507	681,653,937
2004	16,369,100	297,968,800	5,174,600	227,200	37,834,700	26,315,800	247,500	384,137,700	1,462,728	385,600,428	15,532,600	1.517	570,445,055

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
*(Rate per \$100 of Assessed Value)*

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	HAINESPORT TOWNSHIP	REGIONAL SCHOOL	BURLINGTON COUNTY	
*2013	0.849	0.180	1.029	0.315	0.338	0.394	2.076
2012	1.581	0.180	1.761	0.502	0.559	0.709	3.531
2011	1.580	0.180	1.760	0.499	0.543	0.746	3.548
2010	1.587	0.122	1.709	0.491	0.525	0.761	3.486
2009	1.508	0.106	1.614	0.475	0.564	0.808	3.461
2008	1.468	0.116	1.584	0.481	0.533	0.792	3.390
2007	1.452	0.113	1.565	0.453	0.597	0.795	3.410
2006	1.425	0.119	1.544	0.433	0.546	0.732	3.255
2005	1.388	0.119	1.507	0.412	0.502	0.682	3.103
2004	1.391	0.126	1.517	0.349	0.455	0.625	2.946

Source: Municipal Tax Collector

\*Reassessment

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2013		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
DDRM Crossroads Plaza	\$13,504,400	1	1.78%
South Hainesport Industrial Trust	11,230,700	2	1.48%
Berry Drive, LLC	9,692,700	3	1.27%
Creek Crossing, LLC	7,369,800	4	0.97%
Mt. Laurel Rd. Limited Partnership	6,295,300	5	0.83%
Arrow International Inc.	3,279,100	6	0.43%
Hainesport Industrial Park Venture	3,201,000	7	0.42%
Landmark Property Management, Inc.	2,954,300	8	0.39%
White Cap, Inc.	2,712,500	9	0.36%
Robert T. Winzinger, Inc.	2,533,100	10	0.33%
Total	<u>\$62,772,900</u>		<u>8.26%</u>

	2004		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
Inland Southeast Hainesport, LLC	\$10,465,000	1	2.71%
South Hainesport Industrial Trust	5,722,900	2	1.48%
Taxpayer #1	3,325,000	3	0.86%
Berry Drive, LLC	2,908,500	4	0.75%
Arrow International	2,531,800	5	0.66%
Creek Crossing II	2,118,600	6	0.55%
White Cap, Inc.	1,685,700	7	0.44%
Taxpayer #2	1,639,100	8	0.43%
Creek Crossing, LLC	1,446,500	9	0.38%
Drenk Institute	1,338,500	10	0.35%
Total	<u>\$33,181,600</u>		<u>8.61%</u>

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2013	\$ 7,751,611	\$ 7,751,611	100.00%
2012	7,723,767	7,723,767	100.00%
2011	7,535,305	7,535,305	100.00%
2010	7,094,720	7,094,720	100.00%
2009	6,930,576	6,930,576	100.00%
2008	6,782,502	6,782,502	100.00%
2007	6,557,297	6,557,297	100.00%
2006	6,238,713	6,238,713	100.00%
2005	5,845,190	5,845,190	100.00%
2004	5,011,275	5,011,275	100.00%

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

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

GOVERNMENTAL ACTIVITIES			
FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT
2013	\$ 7,813,169	\$ -	\$ 7,813,169
2012	8,391,431	-	8,391,431
2011	8,942,878	40,000	8,982,878
2010	9,442,640	52,006	9,494,646
2009	4,042,800	132,006	4,174,806
2008	4,474,473	199,376	4,673,849
2007	4,884,679	65,569	4,950,248
2006	5,283,503	90,637	5,374,140
2005	5,655,995	59,710	5,715,705
2004	6,037,275	-	6,037,275



**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	
2013	\$ 7,813,169	\$ -	\$ 7,813,169	1.78%
2012	8,391,431	-	8,391,431	1.90%
2011	8,942,878	-	8,942,878	2.03%
2010	9,442,640	-	9,442,640	2.15%
2009	4,042,800	-	4,042,800	0.92%
2008	4,474,473	-	4,474,473	1.03%
2007	4,884,679	-	4,884,679	1.15%
2006	5,283,503	-	5,283,503	1.28%
2005	5,655,995	-	5,655,995	1.47%
2004	6,037,275	-	6,037,275	1.75%

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

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Hainesport Township	\$8,338,170	100.00%	\$ 8,338,170
Burlington County	338,286,327	1.71%	5,784,696
Rancocas Valley Regional High School	19,493,000	17.98%	<u>3,504,841</u>
Subtotal, Overlapping Debt			17,627,708
Hainesport Township School District Direct Debt			<u>7,813,169</u>
Total Direct & Overlapping Debt			<u>\$ 25,440,877</u>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Dollars in Thousands)**

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt Limit	\$ 24,652,707	\$ 25,604,732	\$ 26,698,346	\$ 18,047,574	\$ 26,076,502	\$ 23,611,432	\$ 20,477,708	\$ 17,047,821	\$ 13,796,308	\$ 11,183,813
Total Net Debt Applicable to Limit	<u>7,813,169</u>	<u>8,391,431</u>	<u>8,942,878</u>	<u>9,442,640</u>	<u>4,042,800</u>	<u>4,474,473</u>	<u>4,884,679</u>	<u>5,283,503</u>	<u>5,655,995</u>	<u>6,037,275</u>
Legal Debt Margin	<u>\$ 16,839,538</u>	<u>\$ 17,213,301</u>	<u>\$ 17,755,468</u>	<u>\$ 8,604,934</u>	<u>\$ 22,033,702</u>	<u>\$ 19,136,959</u>	<u>\$ 15,593,029</u>	<u>\$ 11,764,318</u>	<u>\$ 8,140,313</u>	<u>\$ 5,146,538</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	31.69%	32.77%	33.50%	52.32%	15.50%	18.95%	23.85%	30.99%	41.00%	53.98%

**Legal Debt Margin Calculation for Fiscal Year 2012**

Equalized Valuation Basis	
2012	\$ 782,497,120
2011	817,696,460
2010	<u>865,077,124</u>
	<u>\$2,465,270,704</u>

Average Equalized Valuation of Taxable Property	<u>\$ 821,756,901</u>
Debt Limit (3 % of Average Equalization Value)	\$ 24,652,707
Net Bonded School Debt	<u>7,813,169</u>
Legal Debt Margin	<u>\$ 16,839,538</u>

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

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

YEAR	POPULATION <sup>a</sup>	PERSONAL INCOME (THOUSANDS OF DOLLARS) <sup>b</sup>	BURLINGTON COUNTY PER CAPITA INCOME <sup>c</sup>	UNEMPLOYMENT RATE <sup>d</sup>
2012	6,134	N/A	N/A	7.6%
2011	6,121	\$ 295,754,478	\$ 48,318	7.4%
2010	6,115	289,795,965	47,391	7.6%
2009	5,951	276,816,716	46,516	7.1%
2008	5,955	279,694,440	46,564	4.1%
2007	5,997	264,638,308	45,463	3.0%
2006	6,099	258,880,700	43,551	3.3%
2005	6,046	242,905,310	40,795	2.6%
2004	6,045	235,556,730	39,606	2.9%
2003	5,647	210,001,624	37,982	3.2%

Source: NJ Dept of Labor and Workforce Development

<sup>a</sup> NJ Dept of Labor & Workforce Development

<sup>b</sup> Based upon the Municipal population & per capita personal income presented.

<sup>c</sup> Provided by the NJ Department of Labor & Workforce Development

<sup>d</sup> Provided by the NJ Department of Labor & Workforce Development

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

	2013
	EMPLOYEES
Shop Rite	242
Drenk	237
Arrow International	166
Winzinger, Inc.	106
Hainesport School	95
Perry Videx	58
Hainesport Auto & Truck	44
Brothers Electric	16
Atlantic Wood Industries	11
Hainesport Township	11
<b>Total</b>	<b>986</b>

2004 Information was not available

Source: Burlington County Economic Development

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

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Instruction:</b>										
Regular	45	43	40	49	51	49	50	47	46	45
Special Education	19	19	18	12	12	11	13	15	14	13
Other Special Education	1	1	1	4	6	6	3	3	3	3
<b>Support Services:</b>										
Student & Instruction Related Services	15	14	11	14	13	13	10	10	10	10
School Administrative Services	5	5	5	5	4	4	4	4	4	4
Business Administrative Services	3	3	4	4	5	5	5	5	5	5
Plant Operations & Maintenance	7	9	8	9	9	9	9	9	9	9
Pupil Transportation				3	3	3	3	3	3	3
<b>Total</b>	<b>95</b>	<b>94</b>	<b>87</b>	<b>100</b>	<b>103</b>	<b>100</b>	<b>97</b>	<b>96</b>	<b>94</b>	<b>92</b>

Source: District Personnel Records

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

06

FISCAL YEAR	JUNE 30, 2012 ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2013	688	\$ 9,320,229	\$ 13,547	4.97%	59	1:12	672.3	650.8	-3.59%	96.80%
2012	694	8,956,036	12,905	3.36%	57	1:12	697.3	668.8	-0.41%	95.91%
2011	700	8,739,882	12,486	-6.78%	57	1:12	700.2	669.3	0.66%	95.59%
2010	699	9,361,866	13,393	-1.21%	56	1:12	695.6	653.5	3.28%	93.95%
2009	672	9,110,749	13,558	-1.92%	57	1:12	673.5	634.5	-9.94%	94.21%
2008	658	9,095,535	13,823	8.39%	56	1:12	747.8	619.2	15.06%	82.80%
2007	666	8,493,321	12,753	11.52%	56	1:12	649.9	621.0	-2.81%	95.55%
2006	668	7,638,828	11,435	0.64%	55	1:12	668.7	637.1	6.01%	95.27%
2005	633	7,192,593	11,363	7.29%	53	1:12	630.8	600.5	4.96%	95.20%
2004	601	6,364,976	10,591	8.52%	50	1:12	601.0	570.3	6.60%	94.89%

Sources: District records

**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Elementary Schools:										
Hainesport Elementary (1925):										
Square Feet	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782	97,782
Capacity (Students)	636	636	636	636	636	636	636	636	636	636
Enrollment	688	694	700	699	672	658	666	668	633	601

Number of Schools at June 30, 2013:

    Elementary = 1

Source: District Facilities Office

**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS**

SCHOOL FACILITIES	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Hainesport Elementary	\$ 26,850	\$ 72,581	\$ 60,240	\$ 57,287	\$ 55,694	\$ 43,807	\$ 48,381	\$ 35,164	\$ 40,517	\$ 58,262

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

Source: District records

**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2013**

	COVERAGE	SELF-INSURED RETENTION	DEDUCTIBLE
School Package Policy - Utica National Insurance Company:			
Building & Contents (All Locations)			
Limits of Liability per Occurrence	\$ 18,218,116	\$ -	\$ 1,000
General Liability	3,000,000	-	-
Flood	25,000	-	-
Automobile Liability	1,000,000	-	1,000
Crime Coverage	100,000	-	-
Inland Marine	30,000	-	250
Umbrella Liability	5,000,000	10,000	-
New Jersey School Boards Association:			
Workers' Compensation	2,000,000	-	-
The Maskin Group:			
Student Accident	1,000,000	-	-
New Jersey School Boards Association:			
Surety Bonds:			
Treasurer	200,000	-	-

Source: District records.



**SINGLE AUDIT SECTION**





EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Hainesport Township School District  
County of Burlington  
Hainesport, New Jersey 08036

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

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Hainesport Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Hainesport Township Board of Education's Response to Findings**

Hainesport Township Board of Education's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Hainesport Township Board of Education's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

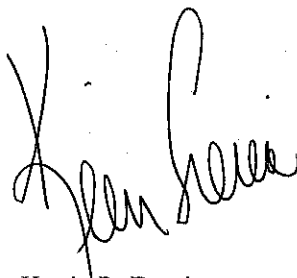
## **Purpose of this Report**

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



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

Medford, New Jersey  
November 18, 2013



HOLMAN | FRENIA  
ALLISON, P.C.  
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EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Hainesport Township School District  
County of Burlington  
Hainesport, New Jersey 08036

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

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

**Management's Responsibility**

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

**Auditor's Responsibility**

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Hainesport Board of Education's compliance with those requirements.

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

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

## **Other Matters**

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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, as defined above.

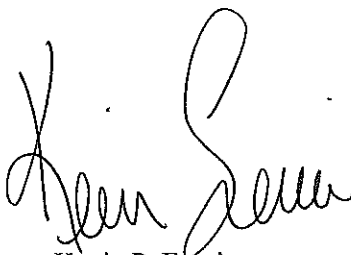
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable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

This report is intended for the information of the management of the Hainesport Township Board of Education, the New Jersey State Department of Education and other state awarding agencies and pass-

through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

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

Medford, New Jersey  
November 18, 2013





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

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT			REPAYMENT OF PRIOR YEAR BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2013	DEFERRED REVENUE AT JUNE 30, 2013	DUE TO GRANTOR JUNE 30, 2013	MEMO	
				JUNE 30, 2012	CASH RECEIVED	BUDGETARY EXPENDITURES					BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>State Department of Education:</b>												
Equalization Aid	13-495-034-5120-078	\$ 634,159	7/1/12-6/30/13	\$ -	\$ 634,159	\$ (634,159)	\$ -	\$ -	\$ -	\$ -	\$ (59,029)	\$ 634,159
Special Education Categorical Aid	13-495-034-5120-089	375,729	7/1/12-6/30/13	-	375,729	(375,729)	-	-	-	-	(34,974)	375,729
Security Aid	13-495-034-5120-084	55,738	7/1/12-6/30/13	-	55,738	(55,738)	-	-	-	-	(5,188)	55,738
Transportation Aid	13-495-034-5120-014	147,648	7/1/12-6/30/13	-	147,648	(147,648)	-	-	-	-	(13,744)	147,648
Adjustment Aid	13-495-034-5120-085	125,576	7/1/12-6/30/13	-	125,576	(125,576)	-	-	-	-	(11,689)	125,576
Extraordinary Aid	13-100-034-5120-044	55,428	7/1/12-6/30/13	-	-	(55,428)	-	(55,428)	-	-	-	55,428
Extraordinary Aid	12-100-034-5120-044	58,497	7/1/11-6/30/12	(58,497)	58,497	-	-	-	-	-	-	-
Nonpublic Transportation Aid	13-495-034-5120-014	16,204	7/1/12-6/30/13	-	-	(16,204)	-	(16,204)	-	-	-	16,204
Nonpublic Transportation Aid	12-495-034-5120-014	18,556	7/1/11-6/30/12	(18,556)	18,556	-	-	-	-	-	-	-
On-Behalf TPAF Pension Contribution	13-495-034-5095-001	242,101	7/1/12-6/30/13	-	242,101	(242,101)	-	-	-	-	-	242,101
On-Behalf TPAF Post-Retirement Medical	13-495-034-5095-001	273,754	7/1/12-6/30/13	-	273,754	(273,754)	-	-	-	-	-	273,754
On-Behalf TPAF Social Security Reimbursement	13-495-034-5095-002	290,846	7/1/12-6/30/13	-	276,572	(290,846)	-	(14,274)	-	-	-	290,846
On-Behalf TPAF Social Security Reimbursement	12-495-034-5095-002	302,332	7/1/11-6/30/12	(14,943)	14,943	-	-	-	-	-	-	-
<b>Total General Fund</b>				<b>(91,996)</b>	<b>2,223,273</b>	<b>(2,217,183)</b>	<b>-</b>	<b>(85,906)</b>	<b>-</b>	<b>-</b>	<b>(124,624)</b>	<b>2,217,183</b>
<b>State Grants:</b>												
<b>Special Revenue Fund:</b>												
Nonpublic Textbook	13-100-034-5120-064	370	7/1/12-6/30/13	-	370	-	-	-	-	370	-	-
Nonpublic Textbook	12-100-034-5120-064	734	7/1/11-6/30/12	734	-	-	(734)	-	-	-	-	-
Nonpublic Nursing Services	13-100-034-5120-070	513	7/1/12-6/30/13	-	513	-	-	-	-	513	-	-
Nonpublic Nursing Services	12-100-034-5120-070	1,047	7/1/11-6/30/12	1,047	-	-	(1,047)	-	-	-	-	-
Nonpublic Technology Services	13-100-034-5120-373	137	7/1/12-6/30/13	-	137	-	-	-	-	137	-	-
Ch 192/193 Speech	12-100-034-5120-067	711	7/1/11-6/30/12	9	-	-	(9)	-	-	-	-	-
<b>Total Special Revenue Fund</b>				<b>1,790</b>	<b>1,020</b>	<b>-</b>	<b>(1,790)</b>	<b>-</b>	<b>-</b>	<b>1,020</b>	<b>-</b>	<b>-</b>
<b>Debt Service Fund:</b>												
Debt Service Aid Type II	13-495-034-5120-017	85,358	7/1/12-6/30/13	-	85,358	(85,358)	-	-	-	-	-	85,358
<b>Total Debt Service Fund</b>				<b>-</b>	<b>85,358</b>	<b>(85,358)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,358</b>
<b>State Department of Agriculture:</b>												
<b>Enterprise Fund:</b>												
National School Lunch Program (State Share)	13-100-010-3350-023	2,495	7/1/12-6/30/13	-	2,184	(2,495)	-	(311)	-	-	-	2,495
National School Lunch Program (State Share)	12-100-010-3350-023	2,585	7/1/11-6/30/12	(219)	219	-	-	-	-	-	-	-
<b>Total Enterprise Fund</b>				<b>(219)</b>	<b>2,403</b>	<b>(2,495)</b>	<b>-</b>	<b>(311)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,495</b>
<b>Total State Financial Assistance</b>				<b>\$ (90,425)</b>	<b>\$ 2,312,054</b>	<b>\$ (2,305,036)</b>	<b>\$ (1,790)</b>	<b>\$ (86,217)</b>	<b>\$ -</b>	<b>\$ 1,020</b>	<b>\$ (124,624)</b>	<b>\$ 2,305,036</b>
On-Behalf TPAF Pension Contributions						\$ 242,101						
On-Behalf TPAF Post-Retirement						\$ 273,754						
<b>Total State Financial Assistance Reported on Single Audit Summary</b>						<b>\$ (1,789,181)</b>						



**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2013**

**Note 1. General**

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

**Note 2. Basis of Accounting**

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

**Note 3. Relationship to Basic Financial Statements**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(7,970) for the general fund and \$0 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**HAINESPORT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued):**  
**JUNE 30, 2013**

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

	<b>State</b>
General Fund	\$ 2,209,213
Debt Service Fund	85,358
Food Service Fund	<u>2,495</u>
Total Financial Assistance	<u>\$ 2,297,066</u>

**Note 4. Relationship to State Financial Reports**

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

**Note 5. Other**

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

**Note 6. State Loans Outstanding**

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

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

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	None Reported

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	None Reported

**Identification of major programs:**

<b>GMIS Number(s)</b>	<b>Name of State Program</b>
13-495-034-5095-078	Equalization Aid
13-495-034-5120-089	Special Education Categorical Aid
13-495-034-5120-084	Security Aid
13-495-034-5120-085	Adjustment Aid

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

**Section II -- Financial Statement Findings**

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

No Current Year Findings

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

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

No Current Year Findings

**HAINESPORT TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMET  
For the Fiscal Year Ended June 30, 2012**

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

No Prior Year Findings





**SCHOOL DISTRICT OF  
HAINESPORT TOWNSHIP**

HAINESPORT BOARD OF EDUCATION  
Hainesport, New Jersey  
County of Burlington

**Auditor's Management Report on Administrative Findings -  
Financial, Compliance and Performance  
for the Year Ended June 30, 2013**





HOLMAN | FRENIA  
ALLISON, P.C.

Certified Public Accountants & Consultants

10 Allen Street, Suite 2B, Toms River, NJ 08753 • Tel: 732.797.1333  
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612  
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[www.hfacpas.com](http://www.hfacpas.com)

**REPORT OF INDEPENDENT AUDITORS  
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members  
of the Board of Education  
Hainesport Township  
County of Burlington  
Hainesport, New Jersey 08036

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Hainesport Township School District in the County of Burlington for the year ended June 30, 2013, and have issued our report thereon dated November 18, 2013.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

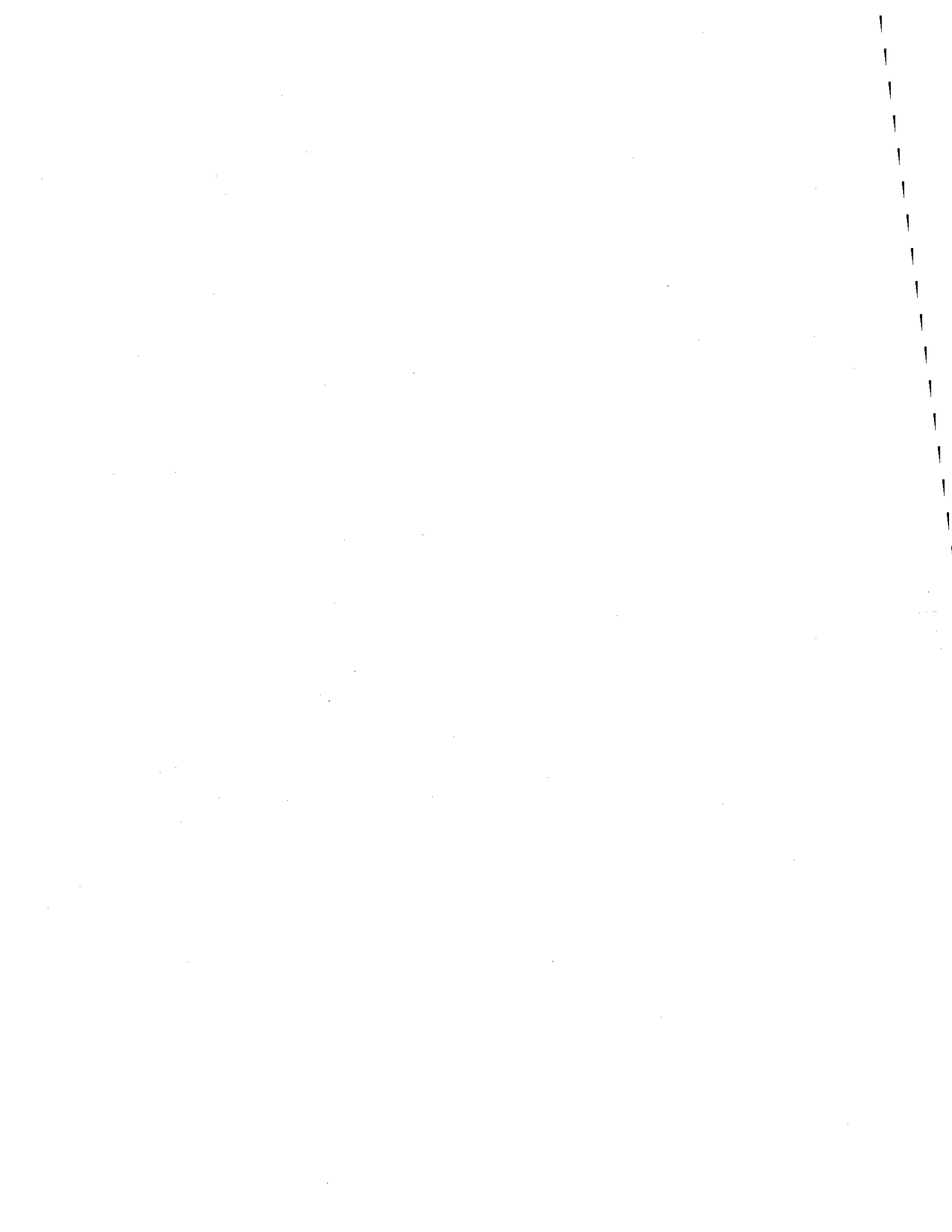
This report is intended for the information of the Hainesport Township Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Medford, New Jersey  
November 18, 2013





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

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Honorable President and Members  
of the Board of Education  
Hainesport Township  
County of Burlington  
Hainesport, New Jersey 08036

**ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the Athletic Fund, the Student Activity Fund, Food Service Fund and Special Revenue Fund under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

**Official Bonds**

Name	Position	Amount
Sharon Deviney	Treasurer	\$200,000
	Business Administrator/Board Secretary	25,000

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review indicated that the vouchers were in satisfactory condition.

**Payroll Account**

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll agency account.

**Payroll Account (continued):**

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

**Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

**Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.6:20-2(M)* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no errors were noted.

**Board Secretary's Records**

Our review of the financial and accounting records maintained by the board secretary were in satisfactory condition.

**Treasurer's Records**

The records maintained by the treasurer were found to be in satisfactory condition.

**Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.**

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I, II, IV, and VI of the Elementary and Secondary Education Act as amended and reauthorized.

**Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on Schedule A located in the CAFR.

### **Other Special Federal and/or State Projects (continued):**

Our audit of the Federal and State funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

### **T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

### **School Purchasing Programs**

#### **Contracts and Agreements Requiring Advertisement for Bids**

*N.J.S.A.18A:18A-1* et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general is available on the website <http://www.state.nj.us/njded/pscl/index.html>.

*N.J.S.A.18A:18A-3* states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore; except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2 (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made."

*N.J.S.A.18A:18A-4* states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or

### **School Purchasing Programs (continued):**

supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A. 18A:18A-3* except by contract or agreement.”

Effective July 1, 2010 and thereafter the bid thresholds in accordance with *N.J.S.A. 18A:18A-2* and *18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A. 18A:39-3* is currently \$17,500.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for July 1, 2010 and thereafter). Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

### **School Food Service**

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The District utilizes a food service management company and is depositing and expending program monies in accordance with *N.J.S.A. 18A:17-34* and *19-1* through *19-4.1*.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.



**School Food Service (continued):**

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G.

**Student Body Activities**

The Board had no policy, which clearly established the regulation of student activity funds. Due to the relatively small size of the student activity fund and the sufficient nature in which funds are being handled, no recommendation is necessary at this time.

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2012 Application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

**Pupil Transportation**

Our audit procedures included a test of On Roll status reported in the 2012-2013 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was in agreement to the DRTRS Eligibility Summary Report. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

**Follow-up on Prior Years' Findings**

There were no prior year findings.

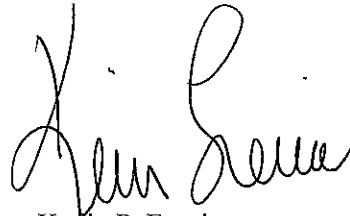
**Acknowledgment**

We received the complete cooperation of all the officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

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

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

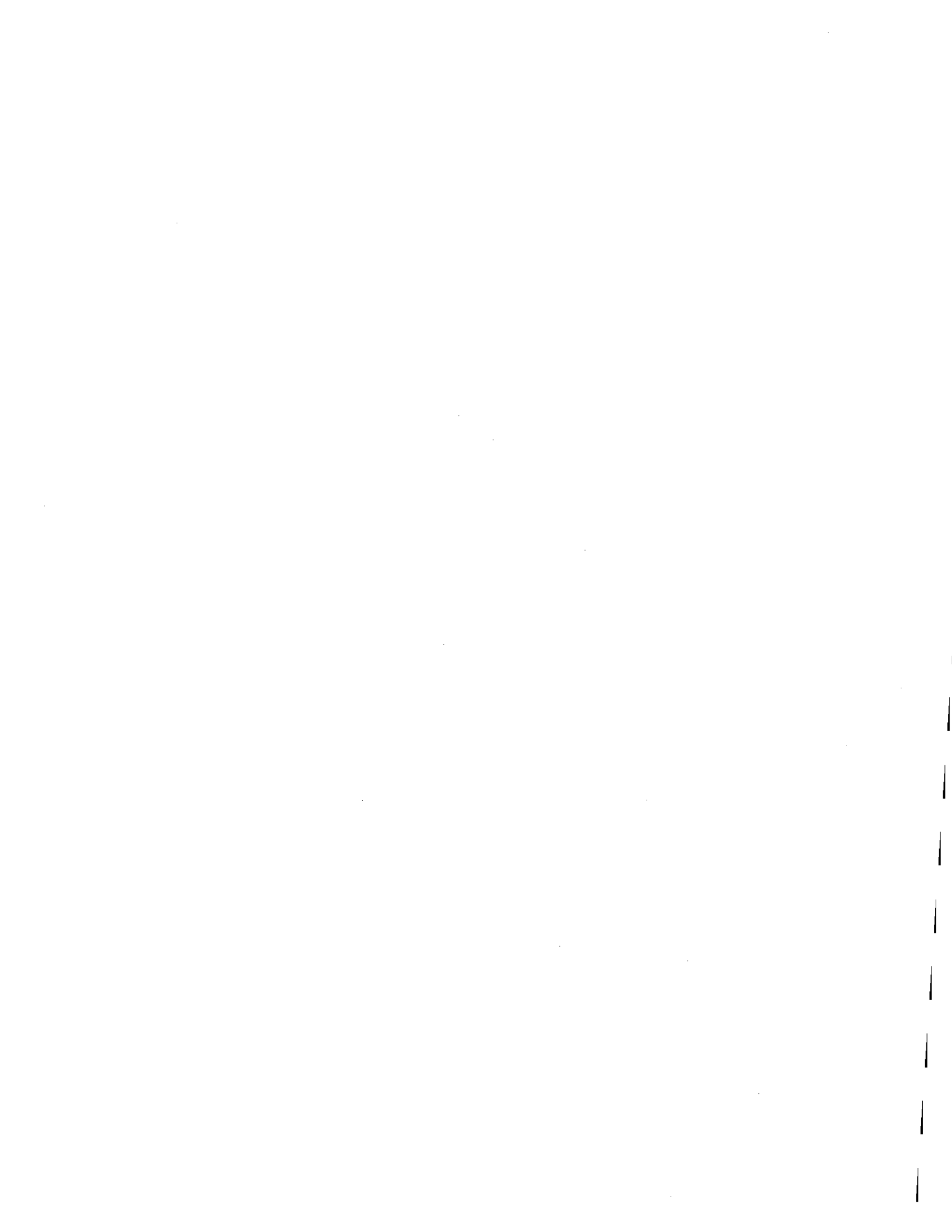
Medford, New Jersey  
November 18, 2013

**ADDITIONAL INFORMATION**



**HAINESPORT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2012	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2013	DUE TO GRANTOR AT JUNE 30, 2013
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>									
Food Distribution Program	10.550	\$ 18,178	7/1/12-6/30/13	\$ -	\$ -	\$ 18,178	\$ (18,178)	\$ -	\$ -
National School Lunch Program	10.555	50,396	7/1/12-6/30/13	-	-	47,185	(50,396)	(3,211)	-
National School Lunch Program	10.555	46,014	7/1/11-6/30/12	(3,902)	-	3,902	-	-	-
Total U.S. Department of Agriculture				(3,902)	-	69,265	(68,574)	(3,211)	-
<b>U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>									
Medical Assistance Program (SEMI)	93.778	15,771	9/1/12-8/30/13	-	-	15,771	(15,771)	-	-
Education Jobs Fund	84.410	12,913	9/1/11-8/31/12	(4,115)	-	12,913	(8,798)	-	-
Title I	84.010	52,117	9/1/12-8/30/13	-	-	17,120	(52,117)	(34,997)	-
Title I	84.010	38,819	9/1/11-8/30/12	(18,383)	-	18,383	-	-	-
Title IIA	84.367	7,036	9/1/12-8/30/13	-	-	3,087	(6,964)	(3,877)	-
Title IIA	84.367	7,678	9/1/11-8/30/12	(3,868)	-	3,868	-	-	-
Title IID	84.318	79	9/1/11-8/30/12	-	-	-	(33)	(33)	-
I.D.E.A. Basic	84.027	152,085	9/1/12-8/30/13	-	-	97,521	(152,085)	(54,564)	-
I.D.E.A. Basic	84.027	155,074	9/1/11-8/30/12	(5,470)	-	5,470	-	-	-
I.D.E.A. Preschool	84.173	9,290	9/1/12-8/30/13	-	-	9,290	(9,290)	-	-
I.D.E.A. Preschool	84.173	18,267	9/1/11-8/30/12	(1,826)	-	1,826	-	-	-
Total U.S. Department of Education				(33,662)	-	185,249	(245,058)	(93,471)	-
Total Federal Financial Assistance				\$ (37,564)	\$ -	\$ 254,514	\$ (313,632)	\$ (96,682)	\$ -



SCHEDULE OF AUDITED ENROLLMENTS (1)

HAINESPORT TOWNSHIP SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2012

	2013-2014 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	8	-	8	-	-	-	4	-	4	-	-	-	-	-	-	-
Half Day Kindergarten	65	-	65	-	-	-	20	-	20	-	-	-	-	-	-	-
One	71	-	71	-	-	-	20	-	20	-	-	-	-	-	-	-
Two	79	-	79	-	-	-	20	-	20	-	-	-	-	-	-	-
Three	54	-	54	-	-	-	20	-	20	-	-	-	-	-	-	-
Four	66	-	66	-	-	-	20	-	20	-	-	-	-	-	-	-
Five	67	-	67	-	-	-	20	-	20	-	-	-	-	-	-	-
Six	59	-	59	-	-	-	25	-	25	-	-	-	-	-	-	-
Seven	70	-	70	-	-	-	25	-	25	-	-	-	-	-	-	-
Eight	60	-	60	-	-	-	25	-	25	-	-	-	-	-	-	-
Subtotal	599	-	599	-	-	-	199	-	199	-	-	-	-	-	-	-
Special Ed - Elementary	45	-	45	-	-	-	20	-	20	-	-	-	2	2	-	-
Special Ed - Middle School	50	-	50	-	-	-	20	-	20	-	-	-	-	-	-	-
Subtotal	95	-	95	-	-	-	40	-	40	-	-	-	2	2	-	-
Totals	694	-	694	-	-	-	239	-	239	-	-	-	2	2	-	-
Percentage Error					-	-										-

6

SCHEDULE OF AUDITED ENROLLMENTS (2)

HAINESPORT TOWNSHIP SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2012

10

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score & Register	Sample Errors	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Half Day Preschool												
Half Day Kindergarten	1	1	-	1	1	-	-	-	-	-	-	-
One	8	8	-	4	4	-	1	1	-	1	1	-
Two	7	7	-	4	4	-	2	2	-	2	2	-
Three	2	2	-	5	5	-	-	-	-	-	-	-
Four	10	10	-	6	6	-	-	-	-	-	-	-
Five	4	4	-	5	5	-	-	-	-	-	-	-
Six	7	7	-	4	4	-	-	-	-	-	-	-
Seven	6	6	-	4	4	-	-	-	-	-	-	-
Eight	3	3	-	2	2	-	-	-	-	-	-	-
Subtotal	48	48	-	35	35	-	3	3	-	3	3	-
Special Ed - Elementary	13	13	-	11	11	-	-	-	-	-	-	-
Special Ed - Middle School	14	14	-	13	13	-	-	-	-	-	-	-
Subtotal	27	27	-	24	24	-	-	-	-	-	-	-
Totals	75	75	-	59	59	-	3	3	-	3	3	-
Percentage Error			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>

**Transportation**

	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	125	125	-	70	70	-
ALL Non-Public	38	38	-	20	20	-
Reg -SpEd, col. 4	20	20	-	10	10	-
Transported - Non-Public, col. 3	106	106	-	50	50	-
Special Ed Spec, col. 6	1	1	-	1	1	-
Totals	290	290	-	151	151	-
Percentage Error			<u>-</u>			<u>-</u>



SCHEDULE OF AUDITED ENROLLMENTS (3)

HAINESPORT TOWNSHIP SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2012

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	1	1	-	1	1	-
Four	-	-	-	-	-	-
Five	1	1	-	1	1	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Subtotal	2	2	-	2	2	-
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	2	2	-	2	2	-
Percentage Error			-			-



## EXCESS SURPLUS CALCULATION

### REGULAR DISTRICT

#### SECTION 1

##### A. 2% Calculation of Excess Surplus

2012-2013 Total General Fund Expenditures per the CAFR, Ex. C-1		\$	<u>9,131,768</u>		(B)
Increased by:			<u>-</u>		
Transfer from Capital Outlay to Capital Projects Fund		\$	<u>-</u>		(B1a)
Transfer from Capital Reserve to Capital Projects Fund		\$	<u>-</u>		(B1b)
Decrease by:					
On-Behalf TPAF Pension & Social Security		\$	<u>(806,701)</u>		(B2a)
Assets Acquired Under Capital Leases		\$	<u>-</u>		(B2b)
 Adjusted 2012-2013 General Fund Expenditures [(B)+(B1s)-(B2s)]		\$	<u><u>8,325,067</u></u>		(B3)
 2% of adjusted 2012-2013 General Fund Expenditures [(B3) times .02]		\$	<u>166,501</u>		(B4)
Enter Greater of (B4) or \$250,000		\$	<u>250,000</u>		(B5)
Increased by: Allowable Adjustment *		\$	<u>71,632</u>		(K)
 Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]				\$	<u><u>321,632</u></u> (M)

#### SECTION 2

Total General Fund - Fund Balance @6-30-2013 (Per CAFR Budgetary Comparison Schedule C-1)		\$	<u>1,406,393</u>		(C)
Decreased by:					
Year-End Encumbrances		\$	<u>-</u>		(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		\$	<u>-</u>		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**		\$	<u>(143,950)</u>		(C3)
Other Restricted Fund Balances ****		\$	<u>(215,700)</u>		(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures		\$	<u>(543,912)</u>		(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]				\$	<u><u>502,831</u></u> (U1)

**REGULAR DISTRICT (continued):**

**SECTION 3**

Restricted Fund Balance - Excess Surplus \*\*\* [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 181,199 (E)

*Recapitulation of excess surplus as of June 30, 2013*

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \*\* \$ 143,950 (C3)  
 Reserved Excess Surplus \*\*\* [(E)] \$ 181,199 (E)  
 Total [(C3)+(E)] \$ 325,149 (D)

**Footnotes:**

\* This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid, Additional Nonpublic School Transportation Aid and Unbudgeted TPAF Wage Freeze Grant Funding. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid.

*Detail of Allowable Adjustments*

Impact Aid \$ - (H)  
 Sale & Lease-back \$ - (I)  
 Extraordinary Aid \$ 55,428 (J1)  
 Additional Nonpublic School Transportation Aid \$ 16,204 (J2)  
 Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 71,632 (K)

\*\* This amount represents the June 30, 2011 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

\*\*\* Amounts must agree to the June 30, 2013 CAFR and must agree to Audit Summary Worksheet Line 10024.

\*\*\*\* Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance prior to September 30.

*Detail of Other Restricted Fund Balance*

**Statutory Restrictions:**

Approved Unspent Separate Proposal \$ -  
 Capital Outlay for a District With a Capital Outlay Cap Waiver \$ -  
 Sale/Lease-Back Reserve \$ -  
 Capital Reserve \$ 215,700  
 Maintenance Reserve \$ -  
 Emergency Reserve \$ -  
 Waiver Offset Reserve \$ -  
 Tuition Reserve \$ -  
 Other State/Government Mandated Reserve \$ -  
 [Other Restricted Fund Balance Not Noted Above] \*\*\*\* \$ -  
 Total Other Restricted Fund Balance \$ 215,700 (C4)