

Comprehensive Annual Financial Report

of the

Belleville Township Board of Education

Belleville, New Jersey

For the Fiscal Year Ended June 30, 2012

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INTRODUCTORY SECTION



BELLEVILLE PUBLIC SCHOOLS

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Belleville, New Jersey 07109
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Helene Feldman
Interim Superintendent of Schools

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November 30, 2012

Honorable President and
Members of the Board of Education
Belleville School District
Essex County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Belleville School District for the fiscal year ended June 30, 2012 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 management discussion and analysis (MD&A), the general-purpose financial statements and schedules, as well as the auditor's report thereon. The MD&A of the District's financial activities is added to this section under GASB 34 to introduce the basic financial statements. 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 and Local Governments", 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: Belleville School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Belleville Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an average daily enrollment of 4,648.9 students, which is 2.07% more than previous year's enrollment. The following details the changes in the student enrollment of the District over the last two years.

2011-2012	4,648.9	2.07%
2010-2011	4,554.7	1.40%

2. ECONOMIC CONDITION AND OUTLOOK: The Township has little undeveloped land and, accordingly, any new industry will have to be a replacement to existing establishments.

3. MAJOR INITIATIVES: The school district is committed to maintaining and improving student performance on standardized tests. In order to meet this objective, the district has established a regular program of textbook replacement, curricula review and revision, and the expanded use of current technology across the curricula.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance 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 CONTROL: 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, and the special revenue 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 as of June 30, 2012.

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, and special revenue fund revenues for the fiscal year ended June 30, 2012.

<u>Revenue</u>	<u>Amount</u>	<u>% of Total</u>
Local Sources	\$ 33,191,608	50.3%
State Sources	29,273,069	44.4%
Federal Sources	<u>3,460,554</u>	<u>5.2%</u>
Total	<u>\$ 65,925,232</u>	<u>100.0%</u>

The following schedule presents a summary of general fund, and special revenue fund for the fiscal year ended June 30, 2012.

<u>Expenditures</u>	<u>Amount</u>	<u>% of Total</u>
Current Expense:		
Instruction	\$ 26,718,158	41.7%
Undistributed	37,207,683	58.1%
Capital Outley	<u>97,287</u>	<u>0.2%</u>
Total Expenditures	<u>\$ 64,023,128</u>	<u>100.0%</u>

8. DEBT ADMINISTRATION: The District had no outstanding debt issues (serial bonds) since September 1996.

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

10. RISK MANAGEMENT: The Board 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.

11. OTHER INFORMATION:

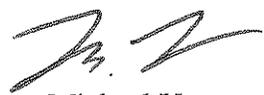
A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Samuel Klein & Co. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12. ACKNOWLEDGMENTS:

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

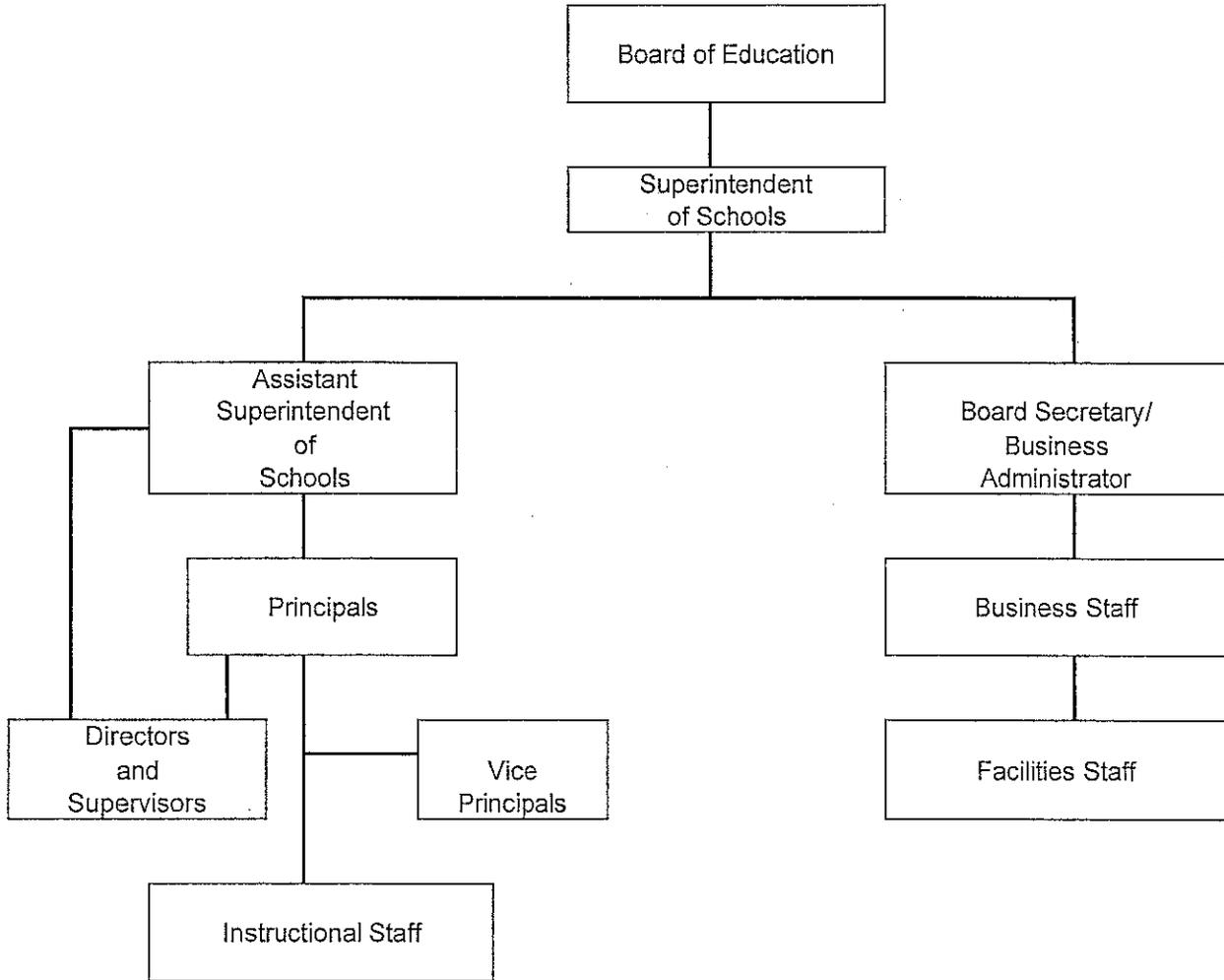
Respectfully submitted,


Helene Feldman
Interim Superintendent of Schools


Michael Veza
Interim School Business Administrator

BELLEVILLE TOWNSHIP BOARD OF EDUCATION

Organizational Chart
(Unit Control)



**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
BELLEVILLE, NEW JERSEY**

ROSTER OF OFFICIALS

AT JUNE 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Peter Zangari, Jr., President	2015
Patricia Inaugurato, Vice-President	2013
Vincent Strumolo	2013
Joseph Longo	2014
William Freda	2014
John Rivera	2013
Jeanne Lombardi	2015
 <u>Other Officials</u>	
Joseph Picardo, Superintendent	
Susan Grillo, Director of Curriculum and Instruction	
Edward J. Appleton, Board Secretary/School Business Administrator	
Alfonse A. DeMeo, Esq., Board Counsel	

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Consultants and Advisors

Audit Firm

Samuel Klein and Company
Certified Public Accountants
550 Broad Street, 11th Floor
Newark, New Jersey 07102-4543

Attorney

Alfonse A. DeMeo
Law Offices of Alphonse A. DeMeo, P.C.
675 Franklin Avenue, Suite 202
Nutley, New Jersey 07110

Architect

Cozzarelli Cirminello Architects, LLC
15 W. Erie Avenue
Rutherford, New Jersey 07070

Official Depository

Valley National Bank
237 Washington Avenue
Belleville, New Jersey 07109

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Belleville Township School District
County of Essex
Belleville, New Jersey 07109

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund and the aggregate remaining fund information of the Board of Education of the Belleville Township School District in the County of Essex, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Belleville Township School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Belleville Township School District's internal control over financial reporting. Accordingly, we express no opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Belleville Township Board of Education, in the County of Essex, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 12, 2012 on our consideration of the Belleville Township Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 13 through 24 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Belleville Township Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical table are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and 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 are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


JOSEPH J. FACCONI
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
December 12, 2012

REQUIRED SUPPLEMENTARY INFORMATION - PART I

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

It is a privilege to present to you the financial condition of the Belleville Board of Education (the Board). This discussion and analysis of the Board's financial performance provides an overall review of the Board's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to examine the Board's financial performance as a whole. The readers of this document should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the Board's financial performance.

Financial Statements

The accompanying financial statements have been prepared in accordance with GASB Statement Number 34 and present both government-wide and fund level financial statements using both the accrual and modified accrual basis of accounting respectively.

Financial Highlights

The total revenues of \$67,778,015 came from two major sources, general revenues and program specific revenues such as operating grants and contributions. General revenues amounted to \$60,423,342 or 89.1% of the total governmental revenues, and program specific revenues (charges for services, grants, and contributions) amounted to \$7,354,673 or 10.9% of the total.

The revenues received during the 2011-2012 fiscal year were used to pay expenses of \$66,951,516. Expenses in the amount of \$7,354,673 were offset by program specific grants and contributions. General revenues, primarily taxes and state aid entitlements, were required to provide for all other expenditures.

The Board transferred \$276,383 from the General Fund to the Food Service Fund. Total Food Service operating expenses of \$2,053,616 exceeded program revenues of \$1,862,061. Food Service Fund revenues consisted of \$1,206,613 in federal and state subsidies and \$655,258 in contributions (sales). Program expenses included direct operating (cafeteria) expenditures and elementary lunchroom aides.

Comprehensive Annual Financial Report (CAFR) Outline

The annual report consists of two distinct sets of financial statements, namely, the district-wide and fund financial statements. The district-wide statements are designed to show the District's overall economic activity in the "Statement of Net Assets" and "Statement of Activities." These statements also provide information about governmental and business type activities of the entire district while presenting an aggregate and long-term view of the District finances.

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

The fund financial statements provide the next level of details and consist of "Governmental Funds", "Proprietary Funds" and "Fiduciary Funds." These statements examine the district's most significant funds, i.e., the General, Special Revenue and Capital Project Funds. Governmental funds statements present how services were financed in the short-term as well as the funds remaining for future spending.

Reporting the School District as a Whole (District-Wide Reporting)

Statement of Net Assets and Statement of Activities

The view of the district as a whole looks at all financial transactions and ask the questions, "Are we in a better financial position this year compared to last year?" and "Why?" or "Why not?" The Statement of Net Assets and the Statement of Activities provide the basis for answering those questions. The statements include all assets and all liabilities using the accrual basis of accounting similar to the basis of accounting used by most private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's Net Assets and any changes in those assets. The change in net assets is very important because it tells the reader whether the financial position for the district as a whole has improved or diminished. The cause of this change may be due to many factors, including factors that are not under the district's control, such as the Township of Belleville's property tax base, State of New Jersey schools funding formula, and Federal funds available for schools.

The Statement of Net Assets and Statement of Activities are divided into two distinct kinds of activities.

Governmental Activities – Most of the district's programs and services reported here including instruction, support services, administrative services, operation and maintenance of plant, and pupil transportation.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The district food service activities are reported as business activities.

Reporting the District's Most Significant Funds (Fund Level Reporting)

The analysis of the district's major funds begins with Table 1. Fund level financial reports provide detailed information about the District's major funds. The district uses many funds to account for a multitude of financial transactions. New Jersey School Districts are required to treat all governmental and enterprise funds as major funds because of the importance placed on

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

these funds by users of the financial statements, as well as State and Federal reporting requirements.

Governmental Funds – Most of the district's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances remaining at year-end available for spending in future periods. These funds are reported using the modified accrual method of accounting. This method of accounting measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the district's general government operations and the basic services it provides.

Governmental funds information helps the reader to determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship or differences between governmental activities reported at the district-wide level and those reported at the Fund Level are reconciled in the financial statements of the governmental funds.

Proprietary Fund – The Food Service Fund has historically operated as an Enterprise Fund using the same basis of accounting as business-type activities. As such, the financial statements of the Food Service Fund will essentially match the information provided in the basic financial statements for the district as a whole.

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

**TABLE 1
STATEMENT OF NET ASSETS**

	Governmental Activities	Business-Type Activities	Total 2012
ASSETS AND OTHER DEBITS			
Current and Other assets	\$ 1,938,500	\$ 546,524	\$ 2,485,024
Capital Assets (net of accumulated depreciation)	5,476,606	139,998	5,616,604
Total Assets	<u>\$ 7,415,106</u>	<u>\$ 686,522</u>	<u>\$ 8,101,628</u>
LIABILITIES			
Current and Other Liabilities	\$ 1,689,998	\$ 132,733	\$ 1,822,731
Noncurrent Liabilities:	2,337,304		2,337,304
Total Liabilities	<u>\$ 4,027,302</u>	<u>\$ 132,733</u>	<u>\$ 4,160,035</u>
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	\$ 5,476,606	\$ 139,998	\$ 5,616,604
Restricted	90,310		90,310
Unrestricted	(2,179,112)	413,791	(1,765,321)
Total Net Assets	<u>\$ 3,387,804</u>	<u>\$ 553,789</u>	<u>\$ 3,941,594</u>

Current and Other Assets represent accounts receivables and cash balances. Accounts receivable items include monies due from the State and Federal government and other school districts. Capital Assets are district owned lands, buildings and equipment net of accumulated depreciation.

Current and Other Liabilities are accounts payable, deferred revenues and cash overdrafts. Noncurrent Liabilities represent the dollar value of district employees' accumulated sick and vacation days.

The District's Net Assets include its investment in Capital Assets, funds restricted by law for specific use (Capital Reserve), and unrestricted funds (surplus).

The negative unrestricted fund balance is largely a function of the inclusion of non-funded compensated absences, and the State's deferral of the district's last State Aid payment from June 2011 to July 2012. The following is an analysis of the governmental unrestricted fund balance:

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

Compensated Absences	\$ (2,609,298)
State Aid Deferral	(2,684,508)
Reserve for Encumbrances	773,976
Legally Restricted	919,117
General Fund Unappropriated Balance	<u>1,421,600</u>
Unrestricted Fund Balance	<u>\$ (2,179,112)</u>

Compensated absences obligations are liquidated on an annual basis when employees take vacation time, when sick days taken exceed the annual entitlement, and by direct compensation in cases of employee retirement.

The State of New Jersey deferred the final State Aid payment to school districts until July 2012. School districts were instructed to recognize this final State Aid payment as revenue for budgetary consideration (CAFR section C – Budgetary Comparison Schedules), but not for balance sheet presentation (CAFR sections A & B).

Table 2 shows the changes in net assets for the fiscal year 2012. The expenditures differ from those presented in other sections of the CAFR in that expenditure categories are inclusive of health insurance, annual compensated absences expense, and depreciation. Revenues are reported as both grant specific and general.

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

**TABLE 2
STATEMENT OF ACTIVITIES**

	Governmental Activities	Business Type Activities	Total 2012
Program Revenues:			
Charges for Services	\$	\$ 655,259	\$ 655,259
Operating Grants and Contributions	5,492,802	1,206,613	6,699,415
General Revenues:			
Property Taxes	32,959,663		32,959,663
Federal and State Aid Not Restricted	27,269,440		27,269,440
Federal and State Aid Restricted			-
Tuition Received	26,699		26,699
Investment Earnings	4,900	189	5,089
Miscellaneous Income	171,780		171,780
Capital Assets Retired Net of Depreciation	(9,329)		(9,329)
State Aid Receivable Cancelled			-
Transfers	(276,383)	276,383	-
Total Revenues	65,639,571	2,138,444	67,778,015
Program Expenses			
Instruction:			
Regular Program	26,803,278	-	26,803,278
Special Education	6,475,254	-	6,475,254
Other Special Instruction	3,428,171	-	3,428,171
Other Instruction	752,773	-	752,773
Community Services	854		854
Support Services:			
Tuition	4,056,220	-	4,056,220
Student & Instructional Related Services	8,046,007	-	8,046,007
School Administration Services	4,301,275	-	4,301,275
General and Business Administrative Services	2,385,665	-	2,385,665
Plant Operations & Maintenance	5,526,539		5,526,539
Pupil Transportation	2,650,853		2,650,853
Charter Schools	76,130		76,130
Unallocated Depreciation	394,881		394,881
Food Service		2,053,616	2,053,616
Total Expenses	64,897,901	2,053,616	66,951,516
Increase/(Decrease) in Net Assets	\$ 741,670	\$ 84,828	\$ 826,498

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

In the 2011-2012 fiscal year, 57.7% of governmental program expenses was for instruction, 6.3% on out-of-district tuition costs, 12.4% was expended for student and instruction related services, 10.3% was expended on administrative services, 8.5% was expended for plant operations and maintenance; and 4.1% on pupil transportation.

Governmental activities revenues obtained from property taxes represent 50.0% of the total; unrestricted federal and state aid represents 41.4%, and operating grants and contributions 8.3%.

The Statement of Activities presents the cost and charges for program services, and the offsetting grants. Table 3 below illustrates the total cost and the net cost of service for governmental activities, that is, it identifies the cost of these services supported by tax revenues and unrestricted State entitlements.

**TABLE 3
TOTAL & NET COST of ACTIVITIES**

	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Instruction:		
Regular Program	\$ 26,803,278	\$ 23,494,300
Special Education	6,475,254	6,118,089
Other Special Instruction	3,428,171	3,236,534
Other Instruction	752,773	721,354
Community Services	854	854
Support Services:		
Tuition	4,056,220	4,056,220
Student & Instructional Related Services	8,046,007	7,027,044
School Administration Services	4,301,275	4,067,622
General and Business Administrative Services	2,385,664	2,300,684
Plant Operations & Maintenance	5,526,539	5,320,498
Pupil Transportation	2,650,853	2,590,888
Special Schools		
Charter Schools	76,130	76,130
Unallocated Depreciation	394,881	394,881
Food Service	2,053,616	191,745
Total Expenses	<u>\$ 66,951,516</u>	<u>\$ 59,596,843</u>

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

The dependence upon general revenues for governmental activities is apparent. Approximately 91.4% of total governmental activities are supported through revenue streams such as unrestricted Federal and State aid, and property taxes. Operating grants, which are primarily restricted state and federal funding, comprise 8.3% of the total governmental fund revenues.

Business-Type Activities

Business-type activities consist of food service program activities. Of the \$2,053,616 of program expenditures, state and federal aid, and sales receipts offset \$1,861,871. \$276,383 was transferred to the food service account from the school district general fund. The district received \$97,575 in donated commodities through its participation in the USDA Donated Commodities Program.

The District's Funds

The district's budgetary funds (general fund and special revenue fund) are accounted for using the modified accrual basis of accounting. Budgetary fund revenues totaled \$65,841,000 while expenditures amounted to \$63,890,616. Net transfers totaled a negative (use of funds) \$694,931. The general fund is the primary budget of the school district, accounting for more than 96.2% of the districts financial activity.

General Fund Budgeting Highlights

The district's budget is prepared according to the State of New Jersey budget law and is based on a basis of cash receipts, disbursements, and encumbrance system. The annual operating budgets of the Belleville School District can be found in the General and Special Revenue Funds (the district does not have any outstanding debt service). The General Fund represents the day-to-day activities of the school district and is funded primarily through local taxes (52.0%) and state aid (46.1%) The State of New Jersey Budget guidelines provide flexibility for districts to amend General Fund Budget line items either by appropriation transfers or through the anticipation of additional revenues. All budget modifications are subject to the approval of the Board of Education.

General Fund financial statements contained in the CAFR include State of New Jersey contributions to the Teachers Pension & Annuity Fund representing the employer's share of pension and social security obligations for district employees. The inclusion of these offsetting revenue and expenditures, while significant, may tend to obscure an analysis of the remainder of the budget which the board and administration have immediate control. The following table presents the General Fund Budget without the inclusion of the offsetting TPAF revenue and expenditure lines.

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

**TABLE 4
BUDGETARY STATEMENT**

<u>GENERAL FUND</u>	<u>2012</u>	<u>2011</u>	<u>\$ Change</u>	<u>% Change</u>
REVENUES				
Local Sources:				
Local Tax Levy	\$ 32,959,663	\$32,959,663	\$ -	0.0%
Tuition Charges	26,699	61,355	(34,656)	-56.5%
Miscellaneous	176,628	183,586	(6,958)	-3.8%
Total Local Sources	33,162,990	33,204,604	(41,614)	-0.1%
State Sources	24,189,680	23,086,122	1,103,558	4.8%
Federal Sources	1,002,983	106,798	896,185	839.1%
Total Revenues	<u>\$ 58,355,653</u>	<u>\$56,397,524</u>	<u>1,958,129</u>	<u>3.5%</u>
EXPENDITURES				
Current				
Instruction:				
Regular Instruction	\$ 17,439,882	\$17,855,903	(416,021)	-2.3%
Special Education Instruction	4,513,484	4,441,093	72,391	1.6%
Other Special Instruction	2,375,586	2,337,533	38,053	1.6%
Other Instruction	570,048	650,230	(80,183)	-12.3%
Community Services	854		854	
Support Services and Undistributed Costs:				
Tuition	4,056,220	2,808,929	1,247,290	44.4%
Student and Instruction Related Services	5,384,869	5,378,366	6,503	0.1%
School Administrative Services	3,000,652	2,793,659	206,993	7.4%
Other Administrative Services	1,918,343	1,844,179	74,164	4.0%
Plant Operations and Maintenance	4,376,102	4,406,715	(30,612)	-0.7%
Pupil Transportation	2,262,663	2,064,803	197,859	9.6%
Unallocated Benefits	10,333,148	10,559,624	(226,475)	-2.1%
Special Schools				
Transfer to Charter Schools	76,130	13,881	62,249	448.4%
Capital Outlay	97,287	83,698	13,589	16.2%
Total General Fund Expenditures	<u>56,405,269</u>	<u>55,238,613</u>	<u>1,166,656</u>	<u>2.1%</u>
Transfers In/(Out)	<u>(694,931)</u>	<u>(881,220)</u>	<u>186,290</u>	<u>-21.1%</u>
Net Change in Fund Balance	<u>\$ 1,255,453</u>	<u>\$ 277,690</u>	<u>977,763</u>	<u>352.1%</u>

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

As compared to the prior year, revenues for the 2010-2012 school year increased \$1,958,129 or 3.5%. There was an increase of \$1,103,558 in state aid to support the school district budget. Total General Fund expenditures increased \$1,166,656 in 2011-2012. Instruction expenses decreased 1.5 % and support services showed an increase of 4.7%

Special Revenue Fund Budgetary Highlights

The Special Revenue Fund includes various programs funded by state and federal monies, which are restricted in use as outlined in the individual program regulations. Special Revenue expenditures are supplemental to the district's General Fund Budget, and may not supplant activities that would normally be budgeted there.

Belleville is a Type 2 school district, meaning that the local property tax portion of the budget is subject to voter approval. New Jersey State Law provides that the Annual School Election be held on the third Tuesday in April. Since at that time, funding availability for a majority of State and Federal restricted programs is unknown, the original Special Revenue Budget is estimated both in terms of dollars and programs to be offered. As funding and program information are made available, the Board of Education has the ability to apply for additional funding and to amend its budget.

Capital Assets

The table below provides the district's fixed assets balances and accumulated depreciation at June 30, 2012 compared to the beginning of the school year. Annual depreciation expenses are distributed to expenditure line items, where possible, on governmental fund statement of activities (A-2).

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

**TABLE 5
CAPITAL ASSETS STATEMENT OF ACTIVITY**

	<u>Balances</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>June 30, 2012</u>
Governmental Activities:				
Capital Assets that are not being depreciated:				
Land	\$ 56,972	\$	\$	\$ 56,972
Construction in progress		9,329	(9,329)	18,658
Total Capital Assets not being depreciated	<u>56,972</u>	<u>9,329</u>	<u>(9,329)</u>	<u>75,630</u>
Building and Building Improvements	13,506,942			13,506,942
Machinery and Equipment	4,802,371	87,958		4,890,329
Totals at historical costs	<u>18,309,312</u>	<u>87,958</u>	<u>-</u>	<u>18,397,271</u>
Less accumulated depreciation for:				
Building and Building Improvements	8,711,355	364,570		9,075,925
Machinery and Equipment	3,694,653	207,059		3,901,712
Total accumulated depreciation	<u>12,406,008</u>	<u>571,629</u>	<u>-</u>	<u>12,977,637</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>5,903,305</u>	<u>(483,671)</u>	<u>-</u>	<u>5,419,634</u>
Governmental activities capital assets, net of accumulated depreciation	<u>\$ 5,960,277</u>	<u>\$ (474,342)</u>	<u>\$ (9,329)</u>	<u>\$ 5,495,264</u>
Business-type Activities:				
Equipment	\$ 551,581	\$ 14,400	\$	\$ 565,981
Less accumulated depreciation for:				
Equipment	<u>393,332</u>	<u>32,651</u>		<u>425,983</u>
Business-type Activities capital assets, net of accumulated depreciation	<u>\$ 158,249</u>	<u>\$ (18,251)</u>	<u>\$ -</u>	<u>\$ 139,998</u>

**Belleville Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Belleville School District's accountability for the school district's finances and funding it receives. Any questions regarding this report or requests for additional financial information should be directed to Michael Veza, Board Secretary/School Business Administrator at the Belleville Board of Education, 102 Passaic Ave, Belleville, NJ, 07109.

Respectfully submitted,



Michael Veza
Interim School Business Administrator

BASIC FINANCIAL STATEMENTS

A. DISTRICT-WIDE FINANCIAL STATEMENTS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

A-1

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,105,683.58	\$ 253,608.04	\$ 1,359,291.62
Receivables - Net	742,506.42	72,256.96	814,763.38
Interfunds Receivable		201,383.38	201,383.38
Inventory		19,275.74	19,275.74
Restricted Assets:			
Capital Reserve Account - Cash	90,310.28		90,310.28
Capital Assets, Net	<u>5,476,605.97</u>	<u>139,997.95</u>	<u>5,616,603.92</u>
Total Assets	<u>\$ 7,415,106.25</u>	<u>\$ 686,522.07</u>	<u>\$ 8,101,628.32</u>
 <u>LIABILITIES</u>			
Accounts Payable	\$ 655,741.57	\$ 130,653.95	\$ 786,395.52
Accrued Liability for Insurance Claims	433,944.95		433,944.95
Interfunds Payable	201,383.38		201,383.38
Payable to State Government	75,108.15		75,108.15
Deferred Revenue	51,826.47	2,078.69	53,905.16
Noncurrent Liabilities:			
Due Within One Year	271,993.68		271,993.68
Due Beyond One Year	<u>2,337,303.83</u>		<u>2,337,303.83</u>
Total Liabilities	<u>\$ 4,027,302.03</u>	<u>\$ 132,732.64</u>	<u>\$ 4,160,034.67</u>
 <u>NET ASSETS</u>			
Invested in Capital Assets - Net of Related Debt	\$ 5,476,605.97	\$ 139,997.95	\$ 5,616,603.92
Restricted for:			
Capital Projects	90,310.28		90,310.28
Unrestricted	<u>(2,179,112.03)</u>	<u>413,791.48</u>	<u>(1,765,320.55)</u>
Total Net Assets	<u>\$ 3,387,804.22</u>	<u>\$ 553,789.43</u>	<u>\$ 3,941,593.65</u>

See accompanying notes to financial statements.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

A-2

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
Governmental Activities:							
Instruction:							
Regular	\$ 26,803,278.47	\$ 3,308,978.31	\$ 23,494,300.16	\$ (23,494,300.16)	\$ (23,494,300.16)		
Special Education	6,475,254.05	357,165.04	(6,118,089.01)	(6,118,089.01)	(6,118,089.01)		
Other Special Instruction	3,428,170.63	191,636.43	(3,236,534.20)	(3,236,534.20)	(3,236,534.20)		
Other Instruction	752,773.23	31,419.48	(721,353.75)	(721,353.75)	(721,353.75)		
Community Services	854.40		(854.40)	(854.40)	(854.40)		
Support Services:							
Tuition	4,056,219.79		(4,056,219.79)	(4,056,219.79)	(4,056,219.79)		
Student and Instruction Related Services	8,046,007.04	1,018,962.80	(7,027,044.24)	(7,027,044.24)	(7,027,044.24)		
School Administrative Services	4,301,275.11	233,653.00	(4,067,622.11)	(4,067,622.11)	(4,067,622.11)		
General and Business Administrative Services	2,385,664.55	84,980.87	(2,300,683.68)	(2,300,683.68)	(2,300,683.68)		
Plant Operations and Maintenance	5,526,538.88	206,041.13	(5,320,497.75)	(5,320,497.75)	(5,320,497.75)		
Pupil Transportation	2,650,853.21	59,965.03	(2,590,888.18)	(2,590,888.18)	(2,590,888.18)		
Charter Schools	76,130.00		(76,130.00)	(76,130.00)	(76,130.00)		
Unallocated Depreciation	394,881.25		(394,881.25)	(394,881.25)	(394,881.25)		
Total Governmental Activities	64,897,900.61	5,492,802.09	(59,405,098.52)	(59,405,098.52)	(59,405,098.52)		
Business-Type Activities:							
Food Service	2,053,615.69	1,206,612.56		(191,744.57)	(191,744.57)		
Total Business-Type Activities	2,053,615.69	1,206,612.56		(191,744.57)	(191,744.57)		
Total Primary Government	\$ 66,951,516.30	\$ 6,699,414.65	\$ (59,405,098.52)	\$ (191,744.57)	\$ (59,596,843.09)		
<u>General Revenues</u>							
Taxes:							
Property Taxes Levied for General Purposes			\$ 32,959,663.00		\$ 32,959,663.00		
Federal and State Aid Not Restricted			27,269,440.05		27,269,440.05		
Tuition Received			26,698.96		26,698.96		
Investment Earnings			4,899.51	189.26	5,088.77		
Miscellaneous Income			171,779.77		171,779.77		
Capital Assets Retired Net of Accumulated Depreciation			(9,329.00)		(9,329.00)		
Transfers			(276,383.38)	276,383.38	(9,329.00)		
Total General Revenues			60,146,768.91	276,572.64	60,423,341.55		
Change in Net Assets			741,670.39	84,828.07	826,498.46		
Net Assets - Beginning			2,646,133.83	468,961.36	3,115,095.19		
Net Assets - Ending			\$ 3,387,804.22	\$ 553,789.43	\$ 3,941,593.65		

B. FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

B-2

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Local Sources:				
Local Tax Levy	\$ 32,959,663.00	\$	\$	\$ 32,959,663.00
Tuition Charges	26,698.96			26,698.96
Miscellaneous	176,627.71			176,627.71
Total Local Sources	<u>33,162,989.67</u>			<u>33,162,989.67</u>
State Sources	29,128,629.08	144,440.26		29,273,069.34
Federal Sources	1,002,982.97	2,457,571.33		3,460,554.30
Private Sources		28,618.50		28,618.50
Total Revenues	<u>63,294,601.72</u>	<u>2,630,630.09</u>		<u>65,925,231.81</u>
<u>EXPENDITURES</u>				
Current:				
Regular Instruction	17,439,882.39	1,818,303.75		19,258,186.14
Special Education Instruction	4,513,484.06			4,513,484.06
Other Special Instruction	2,375,585.52			2,375,585.52
Other Instruction	570,047.58			570,047.58
Community Services	854.40			854.40
Support Services and Undistributed Costs:				
Tuition	4,056,219.79			4,056,219.79
Student and Instruction Related Services	5,384,869.21	812,326.34		6,197,195.55
School Administrative Services	3,000,652.05			3,000,652.05
Other Administrative Services	1,918,343.00			1,918,343.00
Plant Operations and Maintenance	4,376,102.32			4,376,102.32
Pupil Transportation	2,262,662.79			2,262,662.79
Unallocated Benefits	15,320,377.31			15,320,377.31
Transfer to Charter Schools	76,130.00			76,130.00
Capital Outlay	97,287.30			97,287.30
Total Expenditures	<u>61,392,497.72</u>	<u>2,630,630.09</u>		<u>64,023,127.81</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>1,902,104.00</u>	<u>-</u>	<u>-</u>	<u>1,902,104.00</u>
Other Financing Sources (Uses):				
Transfers Out	(694,930.55)			(694,930.55)
Total Other Financing Sources and Uses	<u>(694,930.55)</u>		<u>-</u>	<u>(694,930.55)</u>
Net Change in Fund Balances	1,207,173.45	-	-	1,207,173.45
Fund Balances, July 1	(686,677.69)			(686,677.69)
Fund Balances, June 30	<u>\$ 520,495.76</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520,495.76</u>

BELLEVILLE 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, 2012

B-3

	<u>Ref.</u>	
Total Net Change in Fund Balances - Governmental Funds	B-2	\$ 1,207,173.45
<p>Amount Reported for Governmental Activities in the Statement of Activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Capital Outlays		\$ 97,287.30
Depreciation Expense		<u>(571,628.93)</u>
		(474,341.63)
<p>Proceeds from debt issues are a financing source in the governmental funds. They are not a revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.</p>		
<p>Capital Lease Proceeds</p>		
<p>In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-) Change in Net Assets of Governmental Activities</p>		
		(9,329.00)
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>18,167.57</u>
Change in Net Assets of Governmental Activities	A-2	<u>\$ 741,670.39</u>

PROPRIETARY FUNDS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

B-4

<u>ASSETS</u>	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-insurance Fund</u>
Current Assets:		
Cash and Cash Equivalents	\$ 253,608.04	\$ 10,686.95
Accounts Receivable:		
State	1,606.46	
Federal	70,650.50	
General Fund	201,383.38	423,258.00
Inventories	19,275.74	
Total Current Assets	<u>546,524.12</u>	<u>433,944.95</u>
Noncurrent Assets:		
Furniture, Machinery and Equipment	565,980.60	
Less Accumulated Depreciation	<u>(425,982.65)</u>	
Total Noncurrent Assets	<u>139,997.95</u>	
Total Assets	<u>\$ 686,522.07</u>	<u>\$ 433,944.95</u>
 <u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 130,653.95	\$
Accrued Liability for Insurance Claims		433,944.95
Deferred Revenue	2,078.69	
Total Current Liabilities	<u>132,732.64</u>	<u>433,944.95</u>
Total Liabilities	<u>132,732.64</u>	<u>433,944.95</u>
 <u>NET ASSETS</u>		
Invested in Capital Assets Net of Related Debt	139,997.95	
Unrestricted	<u>413,791.48</u>	
Total Net Assets	<u>\$ 553,789.43</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

B-5

	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-Insurance Fund</u>
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	\$ 655,258.56	\$
Total Operating Revenue	<u>655,258.56</u>	
Operating Expenses:		
Cost of Sales	839,996.17	
Salaries	647,508.31	
Employee Benefits	193,076.66	
Purchased Professional Services	91,570.59	
Purchased Property Services	13,300.43	
Other Purchased Services	97,671.41	
Supplies and Materials	134,569.99	
Depreciation	32,651.01	
Miscellaneous	3,271.12	
Workers' Compensation Claims		308,202.74
Total Operating Expenses	<u>2,053,615.69</u>	<u>308,202.74</u>
Operating Loss	<u>(1,398,357.13)</u>	<u>(308,202.74)</u>
Nonoperating Revenues:		
State Sources:		
State School Lunch Program	25,285.85	
Federal Sources:		
National School Lunch Program	977,452.36	
National School Breakfast Program	95,386.35	
Food Distribution Program	108,488.00	
Interest on Investments	189.26	51.57
Total Nonoperating Revenues	<u>1,206,801.82</u>	<u>51.57</u>
Loss Before Contributions and Transfers	(191,555.31)	(308,151.17)
Transfers In	<u>276,383.38</u>	<u>308,151.17</u>
Change in Net Assets	84,828.07	-
Total Net Assets - Beginning	<u>468,961.36</u>	<u> </u>
Total Net Assets - Ending	<u>\$ 553,789.43</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

B-6

	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>		
Receipts from Customers	\$ 659,714.20	\$
Payments to Suppliers for Goods and Services	(1,894,067.69)	
Payments for Workers' Compensation Claims		(173,212.58)
Net Cash Provided by (Used for) Operating Activities	<u>(1,234,353.49)</u>	<u>(173,212.58)</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
State Sources	26,171.07	
Federal Sources	1,055,362.89	
Operating Subsidies and Transfers to Other Funds	<u>407,420.15</u>	<u>150,000.00</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>1,488,954.11</u>	<u>150,000.00</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Purchases of Capital Assets	<u>(14,400.00)</u>	
<u>Cash Flows from Investing Activities</u>		
Interest	<u>189.26</u>	<u>51.57</u>
Net Increase (Decrease) in Cash and Cash Equivalents	240,389.88	(23,161.01)
Balances - Beginning of Year	<u>13,218.16</u>	<u>33,847.96</u>
Balances - End of Year	<u>\$ 253,608.04</u>	<u>\$ 10,686.95</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>		
Operating Income (Loss)	<u>\$(1,398,357.13)</u>	<u>\$(308,202.74)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	32,651.01	
Food Distribution Program	108,488.00	
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	4,455.64	
(Increase) Decrease in Inventory	13,060.90	
Increase (Decrease) in Accounts Payable	16,260.78	134,990.16
Increase (Decrease) in Deferred Revenue	<u>(10,912.69)</u>	
Total Adjustments	<u>164,003.64</u>	<u>134,990.16</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$(1,234,353.49)</u>	<u>\$(173,212.58)</u>

FIDUCIARY FUNDS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

B-8

	<u>Unemployment Compensation Trust</u>
<u>Additions</u>	
Contributions:	
Plan Members	\$ 53,133.99
Transfers In	110,396.00
Investment Earnings:	
Interest on Investments	30.47
Total Additions	<u>163,560.46</u>
<u>Deductions</u>	
Unemployment Claims	<u>160,455.43</u>
Total Deductions	<u>160,455.43</u>
Change in Net Assets	3,105.03
Net Assets - Beginning of the Year	<u>21,981.73</u>
Net Assets - End of the Year	<u><u>\$ 25,086.76</u></u>

NOTES TO FINANCIAL STATEMENTS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012**

1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Belleville Township School District (the "District") is a Type II District located in the County of Essex, State of New Jersey. As a Type II District, the District functions independently through a Board of Education (the "Board"). The Board is comprised of seven members elected to three-year terms. The purpose of the District is to educate students in grades K-12. The Belleville Township School District had an approximate enrollment at June 30, 2012 of 4,705 students.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Belleville Township Local School District, this includes general operations, food service, and student related activities of the School District.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the District's accounting policies are described below.

A. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

1. Government-Wide Financial Statements (Continued)

The statement of net assets presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

2. Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of Governmental Fund financial statements is on major funds. Each major fund is presented in a separate column.

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

1. Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

1. Governmental Fund (Continued)

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Permanent Fund - The Permanent Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. Resources are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting entity's programs - that is, for the benefit of the school district. The District presently has no resources that are considered permanent funds.

2. Proprietary Fund Type

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

Enterprise Fund - The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered 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.

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 of the equipment used in the operations of the Enterprise Funds are approximately 7 - 20 years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

2. Proprietary Fund Type (Continued)

Internal Service Fund - The Internal Service Fund has been established to account for the financing of workers' compensation claims by the Belleville Township School District. Services are provided on a cost-reimbursement basis.

3. Fiduciary Funds

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Private Purpose Scholarship Funds

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the Governmental Fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Unemployment Compensation Insurance Fund and Scholarship Funds.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Agency Funds - Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. Agency Funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement on Net Assets.

2. Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus (Continued)

2. Fund Financial Statements (Continued)

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement, 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.

Fiduciary funds are reported using the economic resources measurement focus.

D. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all Governmental Fund types, Expendable 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.

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

In its accounting and financial reporting, the District 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 District'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 nonexpendable 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.

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of N.J.A.C. 6A:23A-2.3 (et seq.).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets/Budgetary Control (Continued)

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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the Governmental Fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General Fund revenue and Special Revenue Fund revenue from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule.	\$ 63,342,881.72	\$ 2,498,118.74
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		132,511.35
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	2,636,228.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(2,684,508.00)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 63,294,601.72</u>	<u>\$ 2,630,630.09</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 61,392,497.72	\$ 2,498,118.74
Difference - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>132,511.35</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 61,392,497.72</u>	<u>\$ 2,630,630.09</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Encumbrances

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

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

G. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

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

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

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

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

2. Inventories

Inventories which benefit future periods, other than those recorded in the Enterprise Funds are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

3. Allowance for Uncollectible Accounts

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

4. Tuition Receivable

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.

5. Tuition Payable

Tuition charges for the fiscal years 2010-11 and 2011-12 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

6. Short-Term Interfund Receivables/Payables

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

7. Capital Assets

General capital assets results from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,000.00. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method under the half year convention over the following useful lives:

<u>Asset Class</u>	<u>Estimated Lives</u>
School Buildings	50 Years
Building Improvements	20 Years
Electrical/Plumbing	30 Years
Vehicles	8 Years
Office and Computer Equipment	5 - 10 Years
Instructional Equipment	10 Years
Grounds Equipment	15 Years
Food Service Equipment	7 - 20 years

8. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

8. Compensated Absences (Continued)

The entire sick leave and vacation leave liabilities are reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

In Proprietary and similar Trust Funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

9. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the governmental funds. However, the noncurrent portion of capital leases, compensated absences and loans payable that will be paid from Governmental Funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable, available financial resources.

10. Net Assets

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

11. Deferred Revenue

Deferred revenue in the General and Special Revenue Fund represent program revenues that have been received but not yet earned.

12. Fund Equity

Contributed capital represents the amount of fund capital contributed to the Proprietary Funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

13. Fund Balance Reserves

The District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

14. Proprietary Funds Revenues and Expenses

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the District Enterprise Fund, (the Food Service) are charges to customers for sales of food service. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expense and depreciation on Capital Assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

15. Non-Monetary Transactions

Commodities received under the Federal Food Distribution Program are received by the District and are recorded as nonoperating revenue when received in the Food Service Enterprise Fund at market value. The use of the commodities is included in cost of sales.

16. Allocation of Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, workers' compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses".

17. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Investments are stated at cost, which approximates market. The District classifies certificates of deposit that have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

A. Deposits

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

3. **CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

A. **Deposits (Continued)**

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

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

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

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

As of June 30, 2012, cash and cash equivalents of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking Accounts, Interest Bearing	\$ 1,969,424.29
Certificates of Deposit	<u>13,609.84</u>
	<u>\$ 1,983,034.13</u>

Of the total amount, deposits of \$90,310.28 have been earmarked towards the Capital Reserve Account (See Note 15).

B. **Investments**

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

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the school district or local unit of which the school district is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- . Local government investment pools.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued)

As of June 30, 2012, investments of the District consisted of \$13,609.84 of Certificates of Deposit with an interest rate at 3.20%.

The carrying amount of the Board's cash and cash equivalents and investments at June 30, 2012 was \$1,983,034.13 and the bank balance was \$4,021,478.16. Of the bank balance \$250,000.00 was covered by federal depository insurance and \$3,771,478.16 was covered by a collateral pool maintained by the banks as required by New Jersey Statutes.

As of the date of this report the FDIC insurance was temporarily increased to \$250,000.00 for each depository until December 31, 2013.

4. CAPITAL ASSETS

Capital Asset activity for the year ended June 30, 2012 was as follows:

	Balances <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Balances <u>June 30, 2012</u>
Governmental Activities:				
Capital Assets that are Not Being Depreciated:				
Land	\$ 56,972.00	\$	\$	\$ 56,972.00
Construction-in-Progress		<u>9,329.00</u>	<u>9,329.00</u>	
Total Capital Assets Not Being Depreciated	<u>56,972.00</u>	<u>9,329.00</u>	<u>9,329.00</u>	<u>56,972.00</u>
Building and Building Improvements	13,506,941.59			13,506,941.59
Machinery and Equipment	<u>4,802,370.83</u>	<u>87,958.30</u>		<u>4,890,329.13</u>
Totals at Historical Costs	<u>18,309,312.42</u>	<u>87,958.30</u>		<u>18,397,270.72</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	8,711,355.05	364,569.72		9,075,924.77
Machinery and Equipment	<u>3,694,652.77</u>	<u>207,059.21</u>		<u>3,901,711.98</u>
Total Accumulated Depreciation	<u>12,406,007.82</u>	<u>571,628.93</u> *		<u>12,977,636.75</u>
Total Capital Assets being Depreciated, Net of Accumulated Depreciation	<u>5,903,304.60</u>	<u>(483,670.63)</u>	-	<u>5,419,633.97</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 5,960,276.60</u>	<u>\$ (474,341.63)</u>	<u>\$ 9,329.00</u>	<u>\$ 5,476,605.97</u>
Business-Type Activities:				
Equipment	\$ 551,580.60	\$ 14,400.00	\$	\$ 565,980.60
Less Accumulated Depreciation for:				
Equipment	<u>393,331.64</u>	<u>32,651.01</u>		<u>425,982.65</u>
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 158,248.96</u>	<u>\$ (18,251.01)</u>	-	<u>\$ 139,997.95</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 61,830.22
Other Instruction	10,150.57
Support Services:	
Student and Instruction Related Services	9,397.79
School Administration Services	17,257.14
General and Business Administrative Services	554.38
Plant Operations and Maintenance	18,731.97
Pupil Transportation	58,825.61
Unallocated Depreciation	<u>394,881.25</u>
Total Governmental Activities	<u>\$ 571,628.93</u>

5. INVENTORY

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

Food	\$16,635.78
Supplies	<u>2,639.96</u>
	<u>\$19,275.74</u>

The value of Federal donated commodities, as reflected on Schedule A, (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. For the year ended June 30, 2012, the federal donated commodities food inventory of \$2,078.69 was included in the year end food and supplies.

6. LONG-TERM DEBT

Long-Term liability activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Amounts Due Within One Year</u>	<u>Long-Term Portion</u>
Governmental Activities:						
Other Liabilities						
Compensated Absences Payable	\$2,627,465.08	\$582,096.16	\$600,263.73	\$2,609,297.51	\$271,993.68	\$2,337,303.83
Total Other Liabilities	<u>\$2,627,465.08</u>	<u>\$582,096.16</u>	<u>\$600,263.73</u>	<u>\$2,609,297.51</u>	<u>\$271,993.68</u>	<u>\$2,337,303.83</u>

6. **LONG-TERM DEBT (Continued)**

A. **Bonds Payable**

Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. The District had no bonds outstanding as of June 30, 2012.

B. **Bonds Authorized but Not Issued**

As of June 30, 2012, the District had no authorized but not issued bonds.

C. **Capital Lease Obligations Payable**

As of June 30, 2012, the District had no Capital Lease Obligations Payable.

D. **Operating Leases**

As of June 30, 2012, the District had no operating leases.

7. **PENSION PLANS**

Description of Plans: All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund that 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 as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and the system's other related 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 as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

7. PENSION PLANS (Continued)

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 $\frac{1}{2}$ 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 Districts' 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.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6 for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be $\frac{1}{55}$ 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). Pension benefits for members enrolled in PERS after May 21, 2010 would be based on $\frac{1}{60^{\text{th}}}$ of the average annual compensation for the last five years of service or any five fiscal years of membership that provide the largest benefit to the member or the member's beneficiary. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55). 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.

Contribution Requirements

The contribution policy is set by New Jersey State Statutes and, in more retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. In accordance with the provisions of Chapter 78, P.L. 2011, employee pension contribution rates for TPAF and PERS is currently 6.5% of employees' annual compensation, as defined.

Employee contributions for TPAF and PERS employees will be increased from 6.5% to 7.5% to be phased in equally over a 7 year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July 2018.

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

7. PENSION PLANS (Continued)

Contribution Requirements (Continued)

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Net Cost to District</u>	<u>Percentage of APC Contributed</u>
June 30, 2012	\$ 625,180.00	\$ 625,180.00	100%
June 30, 2011	590,237.00	590,237.00	100%
June 30, 2010	396,646.00	396,646.00	100%

**Three-Year Trend Information for TPAF
(Paid On-Behalf of the District)**

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Post Retirement Medical Benefits</u>
June 30, 2012	\$ 950,805.00	100%	\$ 1,911,367.00
June 30, 2011	93,390.00	100%	1,983,606.00
June 30, 2010	98,131.00	100%	1,843,031.00
TPAF Social Security Reimbursement			2,125,057.08

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$950,805.00 to the TPAF for pension costs \$1,911,367.00 for 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 \$2,125,057.08 during the year ended June 30, 2012 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 individual fund statement and schedules as a revenue and expenditure in accordance with GASB 24.

8. DEFINED CONTRIBUTION RETIREMENT PROGRAM

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the minimum base salary required for eligibility in the DCRP was increased to \$5,000.00.

The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

8. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Description of System (Continued)

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which includes the statutory untenured chief Administrative Officer such as the Business Administrator, county Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

During fiscal year 2012, there were no officials or employees enrolled in the DCRP.

9. POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c. 6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

10. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences of the Governmental Fund types is recorded in the Statement of Net Assets. The current portion of the compensated absences balance of the governmental funds is reported separately on the Statement of Net Assets.

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, 2012, there was no liability for compensated absences in the Food Service Fund.

11. INTERNAL SERVICE FUND

Workers' Compensation - Self-Insurance

The Belleville Board of Education maintains a modified self-insurance program for Workers' Compensation with the following provisions as to losses:

The Board is liable for the first \$400,000.00 per occurrence. Any claims in excess of this amount are covered by insurance policies to the statutory limit.

12. 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) and 457. 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:

The Variable Annuity Life Insurance Company
First Investments
Metropolitan Life
Prudential Life Insurance
American United Life
Retirement Annuity Consultants, Inc.
AXA Equitable

13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

13. RISK MANAGEMENT (Continued)

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

<u>Fiscal Year Ended June 30</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 110,396.00	\$ 53,133.99	\$ 30.47	\$ 160,455.43	\$ 25,086.76
2011	167,099.82	52,550.02	108.54	270,250.57	21,981.73
2010	None	54,286.39	133.95	62,383.18	72,473.92

14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2012:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 204,104.57	\$ 624,641.38
Special Revenue Fund		203,176.58
Enterprise Fund	201,383.38	
Internal Service Fund	423,258.00	
Trust and Agency Fund		927.99
	<u>\$ 828,745.95</u>	<u>\$ 828,745.95</u>

15. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Belleville Board of Education by inclusion of \$1,150,000.00 on October 16, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

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

The activity of the capital reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Balance July 1, 2011	<u>\$ 90,310.28</u>
Balance June 30, 2012	<u>\$ 90,310.28</u>

15. CAPITAL RESERVE ACCOUNT (Continued)

The June 30, 2012 Long Range Facility Plan balance of local support costs of uncompleted capital projects at June 30, 2012 is \$57,754,815.00. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

16. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18:7F-7, as amended by P.L. 2004, c. 73 (S 1701), 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. There is no excess surplus as of June 30, 2012.

17. RECONCILIATION OF FUND BALANCE - GENERAL FUND

The Surpluses are presented on a GAAP Basis and a reconciliation to the Budget Basis is as follows:	<u>Unreserved and Designated</u>
Balance on a Budget Basis on the General Fund Budgetary Basis Comparison	\$ 3,205,003.76
Less: State Aid Payment Not Recognized on a GAAP Basis	<u>2,684,508.00</u>
Balance on a GAAP Basis on the Governmental Fund Balance Sheet	<u>\$ 520,495.76</u>

18. CONTINGENT LIABILITIES

A. Litigation

The Belleville Board of Education is a party to several matters of litigation which involve improper renewal and termination, construction dismissal, alleged CEPA claims, alleged LAD claims and claims of discrimination and sexual harassment.

There is an undetermined potential liability for compensatory and punitive damages subject to current insurance coverage.

General liability and other claims, currently pending against the Board of Education, are being handled by insurance carriers.

B. Federal and State Awards

The School District participates in several federal and state grant and aid programs which are governed by various rules and regulations of the grantor agencies, therefore, to the extent that the School District has not complied with the rules and regulations governing the grants or aid, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired. In the opinion of the management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants, therefore no provisions have been recorded in the accompanying financial statements for such contingencies.

19. SUBSEQUENT EVENT

The Board of Education has evaluated subsequent events that occurred after the balance sheet date but before December 12, 2012. No items were determined to require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. BUDGETARY COMPARISON SCHEDULES

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenues					
Local Sources:					
Local Tax Levy	\$ 32,959,663.00	\$	\$ 32,959,663.00	\$ 32,959,663.00	\$
Tuition	10,000.00		10,000.00	26,698.96	26,698.96
Interest on Investments	93,055.00		93,055.00	4,847.94	(5,152.05)
Miscellaneous				171,779.77	78,724.77
Total - Local Sources	33,062,718.00		33,062,718.00	33,162,989.67	100,271.67
State Sources:					
Extraordinary Aid				350,148.00	350,148.00
Equalization Aid	20,537,608.00		20,537,608.00	21,116,335.00	578,727.00
Categorical Special Education Aid	2,647,333.00		2,647,333.00	2,647,333.00	
Additional Transportation Aid				75,864.00	75,864.00
On-Behalf TPAF Post-Retirement Medical Contributions				1,911,367.00	1,911,367.00
On-Behalf TPAF Contributions				950,805.00	950,805.00
TPAF Social Security (Reimbursed - Nonbudgeted)				2,125,057.08	2,125,057.08
Total - State Sources	23,184,941.00		23,184,941.00	29,176,909.08	5,991,968.08
Federal Sources:					
Special Education Medicaid Initiative	64,822.00		64,822.00	122,412.58	57,590.58
Medicaid Administrative Claiming				9,126.39	9,126.39
Education Jobs Fund	844,973.00	26,471.00	871,444.00	871,444.00	
Total - Federal Sources	909,795.00	26,471.00	936,266.00	1,002,982.97	66,716.97
Total Revenues	57,157,454.00	26,471.00	57,183,925.00	63,342,881.72	6,158,956.72

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Preschool/Kindergarten	\$ 1,116,657.00	\$ (194,117.00)	\$ 922,540.00	\$ 922,187.23	\$ 352.77
Grades 1 - 5	5,476,123.00	(175,069.00)	5,301,054.00	5,298,200.60	7,853.40
Grades 6 - 8	3,650,697.00	(67,719.00)	3,582,978.00	3,572,552.50	10,425.50
Grades 9 - 12	6,902,636.00	(509,710.00)	6,392,926.00	6,378,531.11	14,394.89
Regular Programs - Home Instruction:					
Salaries of Teachers	65,000.00	54,534.00	119,534.00	119,533.04	0.96
Purchased Professional/Educational Services	7,500.00	19,943.00	27,443.00	27,442.13	0.87
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	88,621.00	165,885.00	254,506.00	236,668.88	17,837.12
Purchased Education Services	2,000.00	11,350.00	13,350.00	10,525.00	2,825.00
Purchased Technical Services	5,000.00	(4,025.00)	975.00	975.00	
Other Purchased Services	11,000.00	(1,740.00)	9,260.00	9,072.04	187.96
General Supplies	653,244.00	138,961.33	792,205.33	744,532.01	47,673.32
Textbooks	305,689.00	(174,517.00)	131,172.00	121,252.31	9,919.69
Other Objects	4,500.00	(481.00)	4,019.00	3,410.54	608.46
Total Regular Programs	18,288,667.00	(736,704.67)	17,551,962.33	17,439,882.39	112,079.94
Learning and/or Language Disabilities:					
Salaries of Teachers	545,215.00	20,238.00	565,453.00	565,351.52	101.48
Other Salaries for Instruction	97,033.00	21,232.00	118,265.00	106,867.20	11,397.80
General Supplies	12,462.00	2,466.00	14,928.00	14,582.21	345.79
Textbooks	2,237.00	6,164.00	8,401.00	8,377.27	23.73
Total Learning and/or Language Disabilities	656,947.00	50,100.00	707,047.00	695,178.20	11,868.80
Behavioral Disabilities:					
Salaries of Teachers	220,205.00	(31,835.00)	188,370.00	186,217.39	2,152.61
Other Salaries for Instruction	41,012.00	32,580.00	73,592.00	69,459.82	4,132.18
General Supplies	3,073.00	791.00	3,864.00	3,832.08	31.92
Textbooks	445.00	1,867.00	2,312.00	2,311.97	0.03
Total Behavioral Disabilities	264,735.00	3,403.00	268,138.00	261,821.26	6,316.74

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #3

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Multiple Disabilities:					
Salaries of Teachers	\$ 174,005.00	727.00	\$ 174,732.00	\$ 173,962.94	\$ 769.06
Other Salaries for Instruction	57,802.00	(27,296.00)	30,506.00	29,795.87	710.13
General Supplies	2,904.00	2,124.00	5,028.00	3,450.07	1,577.93
Textbooks	426.00	1,046.00	1,472.00		1,472.00
Total Multiple Disabilities	235,137.00	(23,399.00)	211,738.00	207,208.88	4,529.12
Resource Room/Resource Center:					
Salaries of Teachers	2,485,461.00	(31,374.00)	2,454,087.00	2,443,646.23	10,440.77
Other Salaries for Instruction	263,693.00	105,099.00	368,792.00	339,894.29	18,897.71
General Supplies	24,960.00	93.00	25,053.00	20,810.09	4,242.91
Textbooks	6,879.00	(4,375.00)	2,504.00	1,715.21	788.79
Total Resource Room/Resource Center	2,770,993.00	69,443.00	2,840,436.00	2,806,065.82	34,370.18
Autistic:					
Salaries of Teachers	95,210.00	1,735.00	96,945.00	96,779.75	165.25
Other Salaries for Instruction	133,309.00	(22,530.00)	110,779.00	108,001.70	2,777.30
General Supplies	882.00	5,928.00	6,810.00	6,721.61	88.39
Textbooks	232.00	372.00	604.00	577.22	26.78
Total Autistic	229,633.00	(14,495.00)	215,138.00	212,080.28	3,057.72
Preschool Disabilities - Part-Time:					
Salaries of Teachers	47,655.00	18,235.00	65,890.00	65,491.50	398.50
Other Salaries for Instruction	39,452.00	(10,416.00)	29,036.00	29,035.19	0.81
General Supplies	1,744.00	(1,273.00)	471.00	470.07	0.93
Total Preschool Disabilities - Part-Time	88,851.00	6,546.00	95,397.00	94,996.76	400.24

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 47,655.00	\$ 675.00	\$ 48,330.00	\$ 47,805.38	\$ 524.62
Other Salaries for Instruction	68,842.00	16,967.00	85,809.00	85,808.67	0.33
General Supplies	459.00	(115.00)	344.00	335.94	8.06
Total Preschool Disabilities - Full-Time	116,956.00	17,527.00	134,483.00	133,949.99	533.01
Special Education Home Instruction:					
Salaries of Teachers	100,000.00	(23,924.00)	76,076.00	76,075.50	0.50
Purchased Professional/Educational Services	10,000.00	27,765.00	37,765.00	26,107.37	11,657.63
Total Special Education Home Instruction	110,000.00	3,841.00	113,841.00	102,182.87	11,658.13
Total Special Education	4,473,252.00	112,366.00	4,586,218.00	4,513,484.06	72,733.94
Basic Skills/Remedial:					
Salaries of Teachers	1,621,630.00	(118,949.00)	1,502,681.00	1,496,398.83	6,282.17
General Supplies	5,000.00	(4,758.00)	242.00	241.89	0.11
Total Basic Skills/Remedial	1,626,630.00	(123,707.00)	1,502,923.00	1,496,640.72	6,282.28
Bilingual Education:					
Salaries of Teachers	903,588.00	(25,380.00)	878,208.00	877,396.08	811.92
General Supplies	2,500.00	2,756.00	5,256.00	1,548.72	3,707.28
Total Bilingual Education	906,088.00	(22,624.00)	883,464.00	878,944.80	4,519.20
School-Sponsored Cocurricular Activities:					
Salaries	113,198.00	(5,528.00)	107,670.00	95,560.71	12,109.29
Other Purchased Services	2,300.00	3,170.00	5,470.00	5,470.00	
General Supplies	500.00	(7.00)	493.00	492.57	0.43
Other Objects	2,000.00	(330.00)	1,670.00	1,670.00	
Total School-Sponsored Cocurricular Activities	117,998.00	(2,695.00)	115,303.00	103,193.28	12,109.72
School-Sponsored Athletics:					
Salaries	361,848.00	(64,869.00)	296,979.00	293,631.42	3,347.58
Other Purchased Services	54,900.00	40,494.00	95,394.00	86,179.29	9,214.71
General Supplies	67,154.00	304.00	67,458.00	57,032.16	10,425.84
Other Objects	37,500.00	(5,908.00)	31,592.00	30,011.43	1,580.57
Total School-Sponsored Athletics	521,402.00	(29,979.00)	491,423.00	466,854.30	24,568.70

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #5

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Community Services:					
General Supplies	\$	\$ 855.00	\$ 855.00	\$ 854.40	\$ 0.60
Total Community Services		855.00	855.00	854.40	0.60
Total - Instruction	25,934,037.00	(801,888.67)	25,132,148.33	24,899,853.95	232,294.38
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAS Within the State - Special	877,529.00	(110,894.00)	766,635.00	766,534.80	100.20
Tuition to County Vocational School Districts -					
Regular	24,592.00	115,499.00	140,091.00	137,135.20	2,955.80
Tuition to County Vocational School Districts -					
Special	66,283.00	47,517.00	113,800.00	113,800.00	
Tuition to County Special Services School					
Districts and Regional Day Schools	483,704.00	134,467.00	618,171.00	609,080.00	9,091.00
Tuition to Private Schools for the Handicapped					
Within the State	1,195,209.00	1,013,969.00	2,209,178.00	2,197,731.79	11,446.21
Tuition - State Facilities	159,362.00		159,362.00	159,362.00	
Tuition Other	73,979.00	(1,403.00)	72,576.00	72,576.00	
Total Undistributed Expenditures - Instruction	2,880,658.00	1,199,155.00	4,079,813.00	4,056,219.79	23,593.21
Attendance and Social Work Services:					
Salaries	62,619.00	(12,809.00)	49,810.00	36,873.83	12,936.17
Other Purchased Services	2,000.00		2,000.00	544.05	1,455.95
Supplies and Materials	1,200.00	(932.00)	268.00	80.43	187.57
Other Objects	250.00	(250.00)			
Total Attendance and Social Work Services	66,069.00	(13,991.00)	52,078.00	37,498.31	14,579.69
Health Services:					
Salaries	702,305.00	14,150.00	716,455.00	716,317.50	137.50
Purchased Professional and Technical Services	21,400.00	489.00	21,889.00	20,203.45	1,685.55
Supplies and Materials	14,386.00	2,751.00	17,137.00	16,641.80	495.20
Other Objects	800.00	(35.00)	765.00	765.00	
Total Health Services	738,891.00	17,355.00	756,246.00	753,927.75	2,318.25

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #6

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Undistributed Expenditures:					
Related Services:					
Salaries	\$ 746,115.00	\$ (87,390.00)	\$ 660,725.00	\$ 654,255.58	\$ 6,469.42
Purchased Professional/Technical Services	376,954.00	(118,398.00)	258,556.00	217,184.50	41,371.50
Supplies and Materials	8,000.00	(1,840.00)	6,160.00	5,774.32	385.68
Total Related Services	1,133,069.00	(207,628.00)	925,441.00	877,214.40	48,226.60
Extraordinary Services:					
Salaries	353,781.00	4,762.00	358,543.00	346,562.43	11,980.57
Purchased Educational Services	439,060.00	44,107.00	483,167.00	451,780.76	31,386.24
Supplies	500.00	7,251.00	7,751.00	7,750.17	0.83
Total Extraordinary Services	793,341.00	56,120.00	849,461.00	806,093.36	43,367.64
Guidance:					
Salaries of Other Professional Staff	828,257.00	(9,554.00)	818,703.00	809,057.78	9,645.22
Salaries of Secretarial and Clerical Assistants	126,617.00	3,485.00	130,102.00	126,096.14	4,005.86
Other Purchased Services	16,100.00	(16,100.00)			
Supplies	14,164.00	(382.46)	13,781.54	10,534.79	3,246.75
Other Objects	300.00	(300.00)			
Total Guidance	985,438.00	(22,851.46)	962,586.54	945,688.71	16,897.83
Child Study Team:					
Salaries of Other Professional Staff	1,259,972.00	(65,861.00)	1,194,111.00	1,191,484.35	2,626.65
Salaries of Secretarial and Clerical Assistants	182,517.00	8,025.00	190,542.00	188,531.15	2,010.85
Other Purchased Professional and Technical Services	22,500.00		60,782.00	60,781.81	0.19
Other Purchased Services	16,500.00	(64.00)	16,436.00	13,125.76	3,310.24
Residential Costs	17,454.00	(336.00)	17,118.00	17,118.00	
Supplies and Materials	15,000.00	18,500.00	33,500.00	29,160.02	4,339.98
Other Objects	400.00	(303.00)	97.00	97.00	
Total Child Study Team	1,514,343.00	(1,757.00)	1,512,586.00	1,500,298.09	12,287.91

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #7

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Undistributed Expenditures:					
Improvement of Instruction Services/Other Support					
Services - Instructional Staff:					
Salaries of Supervisors of Instruction	\$ 60,628.00	(87.00)	\$ 60,541.00	\$ 60,540.32	\$ 0.68
Salaries of Other Professional Staff	72,753.00	20,972.00	93,725.00	88,704.16	5,020.84
Salaries of Secretarial and Clerical Assistants	37,872.00		37,872.00	37,871.76	0.24
Other Purchased Services	2,500.00	(2,500.00)			
Supplies and Materials	2,500.00	(1,935.00)	565.00	564.21	0.79
Other Objects	2,750.00	(1,440.00)	1,310.00	1,310.00	
Total Improvement of Instruction Services/Other	179,003.00	15,010.00	194,013.00	188,990.45	5,022.55
Support Services - Instructional Staff					
Educational Media Services/School Library:					
Salaries	150,600.00	70,541.00	221,141.00	219,642.50	1,498.50
Supplies and Materials	33,659.00	(8,480.00)	25,179.00	24,227.69	951.31
Other Objects	1,300.00	(1,300.00)			
Total Educational Media Services/School Library	185,559.00	60,761.00	246,320.00	243,870.19	2,449.81
Staff Training Services:					
Salaries of Other Professional Staff	2,500.00	23,432.00	25,932.00	25,931.65	0.35
Purchased Education Services	5,000.00	(2,217.00)	2,783.00	2,782.54	0.46
Other Purchased Services	1,250.00	1,324.00	2,574.00	2,573.76	0.24
Supplies and Materials	500.00	(500.00)			
Total Staff Training Services	9,250.00	22,039.00	31,289.00	31,287.95	1.05
Support Services General Administration:					
Salaries	459,844.00	(17,426.00)	442,418.00	437,417.11	5,000.89
Legal Services	112,000.00	17,230.43	129,230.43	124,417.31	4,813.12
Audit Services	25,225.00	275.00	25,500.00	25,500.00	
Other Professional Services	84,895.00	18,072.00	102,967.00	89,633.16	13,333.84
Communications/Telephone	82,800.00	39,700.00	122,500.00	97,431.35	25,068.65
Board of Education Other Purchased Services	5,750.00		5,750.00	1,939.25	3,810.75
Other Purchased Services	214,500.00	17,205.00	231,705.00	225,169.36	6,535.64
Supplies and Materials	9,000.00	46.57	9,046.57	4,492.54	4,554.03
Board of Education Training/Meeting Materials	1,500.00	(674.00)	826.00	825.31	0.69
Judgments Against School District		15,087.00	15,087.00	15,086.35	0.65
Miscellaneous Expenditures	4,600.00		4,600.00	2,186.76	2,413.24
Board of Education Dues and Fees	27,250.00	(1,231.00)	26,019.00	26,018.60	0.40
Total Support Services General Administration	1,027,364.00	88,285.00	1,115,649.00	1,050,117.10	65,531.90

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #8

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Unistributed Expenditures:					
Support Services School Administration:					
Salaries of Principals/Assistant Principals	\$ 1,425,326.00	\$ 336,489.00	\$ 1,761,815.00	\$ 1,761,812.31	\$ 2.69
Salaries of Other Professional Staff	483,914.00	(100,047.00)	383,867.00	375,149.08	8,717.92
Salaries of Secretarial and Clerical Assistants	732,304.00	28,644.00	760,948.00	757,291.50	3,656.50
Purchased Professional/Technical Services		3,632.00	3,632.00		
Other Purchased Services	38,704.00	2,644.00	41,348.00	37,526.14	3,821.86
Supplies and Materials	89,564.00	(40,714.00)	48,850.00	48,649.90	200.10
Other Objects	23,700.00		23,700.00	16,591.12	7,108.88
Total Support Services School Administration	2,793,512.00	230,648.00	3,024,160.00	3,000,652.05	23,507.95
Central Services:					
Salaries	414,664.00	9,928.00	424,592.00	417,984.91	6,607.09
Purchased Technical Services	18,000.00	6,353.00	24,353.00	15,145.00	9,208.00
Miscellaneous Purchased Services	28,340.00	(7,397.68)	20,942.32	16,461.89	4,480.43
General Supplies	10,000.00	90.40	10,090.40	9,134.52	955.88
Miscellaneous Expenditures	3,250.00	1,782.00	5,032.00	5,031.08	0.92
Total Central Services	474,254.00	10,755.72	485,009.72	463,757.40	21,252.32
Administrative Information Services:					
Salaries	211,745.00	(14,351.00)	197,394.00	197,253.50	140.50
Purchased Technical Services	132,945.00	37,545.00	170,490.00	170,490.00	
Miscellaneous Purchased Services	11,000.00	2,000.00	13,000.00	9,141.91	3,858.09
General Supplies	7,500.00	23,119.00	30,619.00	27,583.09	3,035.91
Total Administrative Information Services	363,190.00	48,313.00	411,503.00	404,468.50	7,034.50
Maintenance of Plant Services:					
Salaries	482,781.00	103,690.00	586,471.00	576,804.17	9,666.83
Cleaning, Repair and Maintenance Services	200,000.00	19,377.00	219,377.00	190,747.94	28,629.06
General Supplies	225,000.00	62,281.00	287,281.00	279,341.68	7,939.32
Total Maintenance of Plant Services	907,781.00	185,348.00	1,093,129.00	1,046,893.79	46,235.21

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #9

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 1,881,556.00	\$ 14,948.00	\$ 1,896,504.00	\$ 1,858,744.31	\$ 37,759.69
Purchased Professional and Technical Services		14,104.00	14,104.00	13,735.28	368.72
Cleaning, Repair and Maintenance Services	240,000.00	23,195.66	263,195.66	255,827.44	7,368.22
Rental of Land and Buildings Other than Lease					
Purchase Agreements	300.00		300.00		300.00
Other Purchased Property Services	23,500.00	3,055.00	26,555.00	24,822.78	1,732.22
Insurance	68,500.00	(19,334.00)	49,166.00	49,165.25	0.75
Miscellaneous Purchased Services	4,650.00	(4,650.00)			
General Supplies	215,000.00	(22,360.62)	192,639.38	191,108.34	1,531.04
Energy - Natural Gas	525,000.00	(320,500.00)	204,500.00	200,617.65	3,882.35
Energy - Electricity	525,000.00	(12,550.00)	512,450.00	495,883.56	16,566.44
Other Objects	3,300.00	544.00	3,844.00	3,364.00	480.00
Total Custodial Services	3,486,806.00	(323,547.96)	3,163,258.04	3,093,268.61	69,989.43
Care and Upkeep of Grounds:					
Salaries	98,872.00	1.00	98,873.00	92,640.47	6,232.53
Cleaning, Repair and Maintenance Services	9,500.00	34.00	9,534.00	944.02	8,589.98
General Supplies	12,500.00	3,091.00	15,591.00	15,590.36	0.64
Total Care and Upkeep of Grounds	120,872.00	3,126.00	123,998.00	109,174.85	14,823.15
Security:					
Salaries	2,500.00		24,037.00	24,036.57	0.43
Purchased Professional and Technical Services	125,000.00		125,000.00	97,013.50	27,986.50
Cleaning, Repair and Maintenance Services	1,000.00	4,715.00	5,715.00	5,715.00	
General Supplies	5,000.00		5,000.00		5,000.00
Total Security	133,500.00	26,252.00	159,752.00	126,765.07	32,986.93

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #10

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Undistributed Expenditures:					
Student Transportation Services:					
Salaries of Noninstructional Aides	\$ 248,500.00	\$ 20,356.00	\$ 268,856.00	\$ 257,996.40	\$ 10,859.60
Salaries for Pupil Transportation (Between Home and School) - Regular	205,000.00	(12,316.00)	192,684.00	171,458.63	21,225.37
Salaries for Pupil Transportation (Between Home and School) - Special Education	210,000.00	(2,266.00)	207,734.00	207,733.27	0.73
Salaries for Pupil Transportation (Other Than Between Home and School)	115,000.00	(4,995.00)	110,005.00	105,596.77	4,408.23
ESC Management Fee	36,000.00		36,000.00	33,211.47	2,788.53
Cleaning, Repair and Maintenance Services	110,000.00	37,608.18	147,608.18	147,608.10	0.08
Contracted Services (Other Than Between Home and School)		1,100.00	1,100.00	1,099.50	0.50
Contracted Services Special Education Students (Between Home and School)		3,195.00	3,195.00	3,195.00	
Contracted Services (Special Education Students) - Joint Agreements	17,500.00	8,460.00	25,960.00	24,120.00	1,840.00
Contracted Services (Special Education Students) - ESC's	720,000.00		720,000.00	699,183.68	20,816.32
Aid in Lieu Payments	425,000.00	(39,427.00)	385,573.00	379,104.64	6,468.36
Miscellaneous Purchased Services	58,700.00	17,225.00	75,925.00	73,643.03	2,281.97
Supplies and Materials	79,000.00	64,887.00	143,887.00	143,782.31	104.69
Miscellaneous Expenditures	8,500.00	9,012.00	17,512.00	14,929.99	2,582.01
Total Student Transportation Services	2,233,200.00	102,839.18	2,336,039.18	2,262,662.79	73,376.39
Personal Services - Employee Benefits:					
Social Security Contributions	640,000.00	(40,216.00)	599,784.00	599,783.51	0.49
Other Retirement Contributions - PERS	657,739.00	(32,559.00)	625,180.00	625,180.00	
Other Retirement Contributions - Regular	100,996.00	15,675.00	116,671.00	113,869.87	2,801.13
Workmen's Compensation	44,900.00	2,930.00	47,830.00	43,435.00	4,395.00
Health Benefits	9,603,626.00	(996,265.00)	8,607,361.00	8,575,717.56	31,643.44
Tuition Reimbursement	30,000.00	36,490.14	66,490.14	19,500.00	46,990.14
Other Employee Benefits	328,902.00	694,714.38	1,023,616.38	355,662.29	667,954.09
Total Personal Services - Employee Benefits	11,406,163.00	(319,230.48)	11,086,932.52	10,333,148.23	753,784.29
On-Behalf TPAF Post-Retirement Medical Contributions					
On-Behalf TPAF Contributions					
On-Behalf TPAF Social Security Contribution (Nonbudgeted)					
Total Undistributed Expenditures	31,432,263.00	1,177,001.00	32,609,264.00	36,319,226.47	(3,709,962.47)
Total Expenditures - Current Expense	57,366,300.00	375,112.33	57,741,412.33	61,219,080.42	(3,477,668.09)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
 Sheet #11

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Capital Outlay:					
Equipment:					
Regular Programs - Instruction:					
Grades 6 - 8	\$ 16,688.00	\$ 16,688.00	\$ 16,688.00	\$ 16,688.00	\$
Grades 9 - 12	15,633.00	15,633.00	15,633.00	15,633.00	
Undistributed Expenditures:					
School Administration	2,104.00	2,104.00	2,104.00	2,103.99	0.01
Administrative Information Services	11,071.00	11,071.00	11,071.00	11,070.81	0.19
Operation and Maintenance of Plant Services	42,463.00	42,463.00	42,463.00	42,462.50	0.50
Total Equipment	87,959.00	87,959.00	87,959.00	87,958.30	0.70
Facilities Acquisition and Construction Services:					
Other Objects	9,329.00		9,329.00	9,329.00	
Total Facilities Acquisition and Construction Services	9,329.00		9,329.00	9,329.00	
Total Capital Outlay	9,329.00	87,959.00	97,288.00	97,287.30	0.70
Transfer of Funds to Charter School	21,645.00	54,685.00	76,330.00	76,130.00	200.00
Total Expenditures	57,397,274.00	517,756.33	57,915,030.33	61,392,497.72	(3,477,467.39)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(239,820.00)	(491,285.33)	(731,105.33)	1,950,384.00	2,681,489.33
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Food Service Fund - Board Contribution	(250,000.00)	(26,384.00)	(276,384.00)	(276,383.38)	0.62
Transfer to Unemployment Compensation Trust - Board Contribution	(210,180.00)	(110,396.00)	(320,576.00)	(308,151.17)	0.83
Transfer to Internal Service Fund - Board Contribution		(97,972.00)	(97,972.00)		
Total Other Financing Sources (Uses)	(460,180.00)	(234,752.00)	(694,932.00)	(694,930.55)	1.45
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(700,000.00)	(726,037.33)	(1,426,037.33)	1,255,453.45	2,681,490.78
Fund Balances, July 1	1,949,550.31		1,949,550.31	1,949,550.31	
Fund Balances, June 30	\$ 1,249,550.31	\$ (726,037.33)	\$ 523,512.98	\$ 3,205,003.76	\$ 2,681,490.78

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #12

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 90,310.28	
Committed Fund Balance:					
Year End Encumbrances				773,976.45	
Assigned Fund Balance:					
Designated for Subsequent Years' Expenditures				919,117.00	
Unassigned Fund Balance				<u>1,421,600.03</u>	
Total				3,205,003.76	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>2,684,508.00</u>	
Fund Balance Per Governmental Funds (GAAP)				\$ <u>520,495.76</u>	

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION JOBS FUND PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1b

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance <u>Final to Actual</u>
<u>Revenues</u>					
Federal Sources:	\$	\$	\$	\$	\$
Education Jobs Fund Program	844,973.00	26,471.00	871,444.00	871,444.00	
Total Revenues	<u>844,973.00</u>	<u>26,471.00</u>	<u>871,444.00</u>	<u>871,444.00</u>	
<u>Expenditures</u>					
Regular Instruction:					
Preschool/Kindergarten	133,622.00		133,622.00	133,621.60	0.40
Grades 1 - 5	265,830.00		265,830.00	265,830.00	
Grades 6 - 8	44,630.00		44,630.00	44,630.00	
Grades 9 - 12	88,310.00		88,310.00	88,310.00	
Total Regular Instruction	<u>532,392.00</u>		<u>532,392.00</u>	<u>532,391.60</u>	<u>0.40</u>
Special Education:					
Behavioral Disabilities:					
Salaries of Teachers	45,530.00		45,530.00	45,530.00	
Total Behavioral Disabilities	<u>45,530.00</u>		<u>45,530.00</u>	<u>45,530.00</u>	
Resource Room/Resource Center:					
Salaries of Teachers	44,630.00		44,630.00	44,630.00	
Total Resource Room/Resource Center	<u>44,630.00</u>		<u>44,630.00</u>	<u>44,630.00</u>	
Total Special Education	<u>90,160.00</u>		<u>90,160.00</u>	<u>90,160.00</u>	
Total - Instruction	<u>622,552.00</u>		<u>622,552.00</u>	<u>622,551.60</u>	<u>0.40</u>
Undistributed Expenditures:					
Personal Services - Employee Benefits:					
Other Retirement Contributions - Regular	92,996.00	16,884.00	109,880.00	107,078.87	2,801.13
Health Benefits	129,425.00	9,587.00	139,012.00	141,813.53	(2,801.53)
Total Personal Services - Employee Benefits	<u>222,421.00</u>	<u>26,471.00</u>	<u>248,892.00</u>	<u>248,892.40</u>	<u>(0.40)</u>
Total Expenditures	<u>844,973.00</u>	<u>26,471.00</u>	<u>871,444.00</u>	<u>871,444.00</u>	
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
State Sources	\$ 174,941.00	\$ 41,649.78	\$ 216,590.78	\$ 141,775.63	\$ (74,815.15)
Federal Sources	1,846,928.00	578,923.92	2,425,851.92	2,327,724.61	(98,127.31)
Other Sources		41,630.86	41,630.86	28,618.50	(13,012.36)
Total Revenues	<u>2,021,869.00</u>	<u>662,204.56</u>	<u>2,684,073.56</u>	<u>2,498,118.74</u>	<u>(185,954.82)</u>
Expenditures					
Instruction:					
Salaries of Teachers	429,141.00	180,760.38	609,901.38	597,616.02	12,285.36
Other Salaries for Instruction	15,000.00	10,543.00	25,543.00	36,865.74	(11,322.74)
Purchased Professional and Technical Services	273,868.00	23,318.78	297,186.78	197,854.02	99,332.76
Other Purchased Services	746,491.00	72,739.36	819,230.36	817,328.91	1,901.45
General Supplies	53,055.00	38,538.95	91,593.95	73,378.06	18,215.89
Textbooks	9,970.00	1,174.00	11,144.00	7,387.06	3,756.94
Other Objects		2,912.13	2,912.13	3,862.41	(950.28)
Total Instruction	<u>1,527,525.00</u>	<u>329,986.60</u>	<u>1,857,511.60</u>	<u>1,734,292.22</u>	<u>123,219.38</u>
Support Services:					
Salaries of Other Professional Staff	52,363.00	41,188.00	93,551.00	82,690.25	10,860.75
Salaries of Secretarial and Clerical Assistants		3,155.00	3,155.00	1,400.00	1,755.00
Salaries of Other Personnel	30,000.00	(30,000.00)			
Personal Services - Employee Benefits	123,839.00	63,560.18	187,399.18	185,785.37	1,613.81
Purchased Professional and Technical Services	213,644.00	185,797.74	399,441.74	397,675.21	1,766.53
Travel		100.00	100.00	234.31	(134.31)
Other Purchased Services	63,498.00	11,447.00	74,945.00	33,734.43	41,210.57
Supplies and Materials		41,777.04	41,777.04	37,643.95	4,133.09
Miscellaneous Expenditures	11,000.00	6,755.00	17,755.00	15,975.00	1,780.00
Total Support Services	<u>494,344.00</u>	<u>323,779.96</u>	<u>818,123.96</u>	<u>755,138.52</u>	<u>62,985.44</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		8,438.00	8,438.00	8,688.00	(250.00)
Total Facilities Acquisition and Construction Services		<u>8,438.00</u>	<u>8,438.00</u>	<u>8,688.00</u>	<u>(250.00)</u>
Total Expenditures	<u>2,021,869.00</u>	<u>662,204.56</u>	<u>2,684,073.56</u>	<u>2,498,118.74</u>	<u>185,954.82</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>\$ -</u>				

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-3

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	<u>Ref.</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	C-1,2	\$63,342,881.72	\$2,498,118.74
Difference - Budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			132,511.35
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		2,636,228.00	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		<u>(2,684,508.00)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	B-2	<u>\$63,294,601.72</u>	<u>\$2,630,630.09</u>
Uses/Outflows of Resources:			
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	C-1,2	\$61,392,497.72	\$2,498,118.74
Difference - Budget to GAAP:			
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			<u>132,511.35</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	B-2	<u>\$61,392,497.72</u>	<u>\$2,630,630.09</u>

OTHER SUPPLEMENTARY INFORMATION

D. SCHOOL BASED BUDGET SCHEDULES (IF APPLICABLE)

E. SPECIAL REVENUE FUND

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

E-1
Sheet #2

		IDEA Part B					
	Basic	Basic Carryover	Pre-School Handicapped	Title II-A Teacher Training and Recruitment	Title III Language Enhancement	Carl D. Perkins Vocational Education	SYEPT/ JTPA
<u>Revenues</u>							
State Sources	\$ 1,101,885.00	\$ 7,941.44	\$ 25,384.00	\$ 161,792.07	\$ 59,857.05	\$ 43,778.00	\$ 5,503.47
Federal Sources							
Other Sources							
Total Revenues	\$ 1,101,885.00	\$ 7,941.44	\$ 25,384.00	\$ 161,792.07	\$ 59,857.05	\$ 43,778.00	\$ 5,503.47
<u>Expenditures</u>							
Instruction:							
Salaries of Teachers	\$ 14,131.00	\$ 8,540.00		\$ 49,025.00	\$ 32,257.60	\$ 35,090.00	\$ 5,050.02
Other Salaries for Instruction	22,164.00	14,701.74					
Purchased Professional and Technical Services	806,288.55	364.46		1,819.07	10,133.01	35,090.00	
Other Purchased Services	6,354.83						
General Supplies							
Textbooks	1,262.51						
Other Objects	850,200.89			50,844.07	42,390.61	35,090.00	67.13
Total Instruction	1,946,002.78	23,606.20	23,606.20	100,678.14	84,771.22	70,180.00	5,117.15
Support Services:							
Salaries of Other Professional Staff	52,224.00			7,962.50			
Salaries of Secretarial and Clerical Assistants	6,772.00			10,225.71	17,032.00		386.32
Personal Services - Employee Benefits	155,173.77	1,777.80		74,708.00			
Purchased Educational Services	91.43			132.80			
Travel				5,618.99	434.44		
Other Purchased Services							
Supplies and Materials	37,422.91			12,300.00			
Miscellaneous Expenditures							
Total Support Services	251,684.11	1,777.80	1,777.80	96,647.20	17,466.44	386.32	386.32
Facilities Acquisition and Construction Services:							
Instructional Equipment						8,688.00	
Total Facilities Acquisition and Construction Services						8,688.00	
Total Expenditures	\$ 1,101,885.00	\$ 7,941.44	\$ 25,384.00	\$ 161,792.07	\$ 59,857.05	\$ 43,778.00	\$ 5,503.47

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

E-1
Sheet #3

	Nonpublic Auxiliary Chapter 192			Nonpublic Handicapped Services Chapter 193			
	Nonpublic Remedial	Nonpublic ESL	Nonpublic Home Instruction	Nonpublic Transportation	Supplemental Instruction	Examination and Classification	Corrective Speech
Revenues							
State Sources	\$ 55,115.39	\$ 16,464.80	\$ 2,100.78	\$ 21,332.00	\$ 9,050.00	\$ 13,671.55	\$ 5,134.05
Federal Sources	<u>\$ 55,115.39</u>	<u>\$ 16,464.80</u>	<u>\$ 2,100.78</u>	<u>\$ 21,332.00</u>	<u>\$ 9,050.00</u>	<u>\$ 13,671.55</u>	<u>\$ 5,134.05</u>
Other Sources							
Total Revenues	<u>\$ 7,387.06</u>						
Expenditures							
Instruction:							
Salaries of Teachers	\$	\$	\$	\$	\$	\$	\$
Other Salaries for Instruction							
Purchased Professional and Technical Services	55,115.39	16,464.80	2,100.78		9,050.00		5,134.05
Other Purchased Services							
General Supplies							
Textbooks	7,387.06						
Other Objects							
Total Instruction	<u>55,115.39</u>	<u>16,464.80</u>	<u>2,100.78</u>		<u>9,050.00</u>		<u>5,134.05</u>
Support Services:							
Salaries of Other Professional Staff						11,300.00	
Salaries of Secretarial and Clerical Assistants						1,400.00	
Personal Services - Employee Benefits						971.55	
Purchased Educational Services							
Travel							
Other Purchased Services				21,332.00			
Supplies and Materials							
Miscellaneous Expenditures							
Total Support Services						<u>13,671.55</u>	
Facilities Acquisition and Construction Services:							
Instructional Equipment							
Total Facilities Acquisition and Construction Services							
Total Expenditures	<u>\$ 7,387.06</u>	<u>\$ 16,464.80</u>	<u>\$ 2,100.78</u>	<u>\$ 21,332.00</u>	<u>\$ 9,050.00</u>	<u>\$ 13,671.55</u>	<u>\$ 5,134.05</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

E-1
 Sheet #4

	Nonpublic <u>Nursing</u>	Title II-A <u>Talent 21</u>	SYETP <u>ARRA</u>	Totals <u>June 30, 2012</u>
<u>Revenues</u>				
State Sources	\$ 11,520.00	\$ 68,569.08	\$ 6,432.07	\$ 141,775.63
Federal Sources				2,327,724.61
Other Sources				28,618.50
Total Revenues	<u>\$ 11,520.00</u>	<u>\$ 68,569.08</u>	<u>\$ 6,432.07</u>	<u>\$ 2,498,118.74</u>
<u>Expenditures</u>				
Instruction:				
Salaries of Teachers		\$ 50,323.40	\$ 5,974.98	\$ 597,616.02
Other Salaries for Instruction				36,865.74
Purchased Professional and Technical Services		440.36		197,854.02
Other Purchased Services				817,328.91
General Supplies				73,378.06
Textbooks				7,387.06
Other Objects				3,862.41
Total Instruction		<u>50,763.76</u>	<u>5,974.98</u>	<u>1,734,292.22</u>
Support Services:				
Salaries of Other Professional Staff		9,550.00		82,690.25
Salaries of Secretarial and Clerical Assistants		4,580.32	457.09	1,400.00
Personal Services - Employee Benefits	11,520.00			185,785.37
Purchased Educational Services				397,675.21
Travel				234.31
Other Purchased Services				33,734.43
Supplies and Materials				37,643.95
Miscellaneous Expenditures		3,675.00		15,975.00
Total Support Services	<u>11,520.00</u>	<u>17,805.32</u>	<u>457.09</u>	<u>755,138.52</u>
Facilities Acquisition and Construction Services:				
Instructional Equipment				8,688.00
Total Facilities Acquisition and Construction Services				<u>8,688.00</u>
Total Expenditures	<u>\$ 11,520.00</u>	<u>\$ 68,569.08</u>	<u>\$ 6,432.07</u>	<u>\$ 2,498,118.74</u>

F. CAPITAL PROJECTS FUND

G. PROPRIETARY FUNDS

ENTERPRISE FUND

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

G-1

<u>ASSETS</u>	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-Insurance Fund</u>
Current Assets:		
Cash and Cash Equivalents	\$253,608.04	\$ 10,686.95
Accounts Receivable:		
State	1,606.46	
Federal	70,650.50	
General Fund	201,383.38	423,258.00
Inventories	19,275.74	
Total Current Assets	<u>546,524.12</u>	<u>433,944.95</u>
Noncurrent Assets:		
Furniture, Machinery and Equipment	565,980.60	
Less Accumulated Depreciation	<u>(425,982.65)</u>	
Total Noncurrent Assets	<u>139,997.95</u>	
Total Assets	<u>\$686,522.07</u>	<u>\$433,944.95</u>
 <u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$130,653.95	\$
Accrued Liability for Insurance Claims		433,944.95
Deferred Revenue	2,078.69	
Total Current Liabilities	<u>132,732.64</u>	<u>433,944.95</u>
Total Liabilities	<u>132,732.64</u>	<u>433,944.95</u>
 <u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt	139,997.95	
Unrestricted	<u>413,791.48</u>	
Total Net Assets	<u>\$553,789.43</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

G-2

	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-Insurance Fund</u>
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	\$ 655,258.56	\$
Total Operating Revenue	<u>655,258.56</u>	
Operating Expenses:		
Cost of Sales	839,996.17	
Salaries	647,508.31	
Employee Benefits	193,076.66	
Purchased Professional Services	91,570.59	
Purchased Property Services	13,300.43	
Other Purchased Services	97,671.41	
Supplies and Materials	134,569.99	
Depreciation	32,651.01	
Miscellaneous	3,271.12	
Workers' Compensation Claims		308,202.74
Total Operating Expenses	<u>2,053,615.69</u>	<u>308,202.74</u>
Operating Loss	<u>(1,398,357.13)</u>	<u>(308,202.74)</u>
Nonoperating Revenues:		
State Sources:		
State School Lunch Program	25,285.85	
Federal Sources:		
National School Lunch Program	977,452.36	
National School Breakfast Program	95,386.35	
Food Distribution Program	108,488.00	
Interest on Investments	189.26	51.57
Total Nonoperating Revenues	<u>1,206,801.82</u>	<u>51.57</u>
Loss Before Contributions and Transfers	(191,555.31)	(308,151.17)
Transfers In	<u>276,383.38</u>	<u>308,151.17</u>
Change in Net Assets	84,828.07	-
Total Net Assets - Beginning	<u>468,961.36</u>	
Total Net Assets - Ending	<u>\$ 553,789.43</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

G-3

	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Internal Service Fund Workers' Compensation Self-Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>		
Receipts from Customers	\$ 659,714.20	\$
Payments to Suppliers for Goods and Services	(1,894,067.69)	
Payments for Workers' Compensation Claims		(173,212.58)
Net Cash Provided by (Used for) Operating Activities	<u>(1,234,353.49)</u>	<u>(173,212.58)</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
State Sources	26,171.07	
Federal Sources	1,055,362.89	
Operating Subsidies and Transfers to Other Funds	407,420.15	150,000.00
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>1,488,954.11</u>	<u>150,000.00</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Purchases of Capital Assets	<u>(14,400.00)</u>	
<u>Cash Flows from Investing Activities</u>		
Interest	<u>189.26</u>	<u>51.57</u>
Net Increase (Decrease) in Cash and Cash Equivalents	240,389.88	(23,161.01)
Balances - Beginning of Year	<u>13,218.16</u>	<u>33,847.96</u>
Balances - End of Year	<u>\$ 253,608.04</u>	<u>\$ 10,686.95</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>		
Operating Loss	<u>\$(1,398,357.13)</u>	<u>\$(308,202.74)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	32,651.01	
Food Distribution Program	108,488.00	
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	4,455.64	
(Increase) Decrease in Inventory	13,060.90	
Increase (Decrease) in Accounts Payable	16,260.78	134,990.16
Increase (Decrease) in Deferred Revenue	(10,912.69)	
Total Adjustments	<u>164,003.64</u>	<u>134,990.16</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (1,234,353.49)</u>	<u>\$(173,212.58)</u>

INTERNAL SERVICE FUND

H. FIDUCIARY FUNDS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 AS OF JUNE 30, 2012

H-1

<u>ASSETS</u>	<u>Unemployment Compensation Trust</u>	<u>Agency Fund</u>
Cash and Cash Equivalents	\$ 25,086.76	\$ 494,735.63
Investments		13,609.84
Total Assets	<u>\$ 25,086.76</u>	<u>\$ 508,345.47</u>
 <u>LIABILITIES</u>		
Payroll Deductions and Withholdings	\$	\$ 338,693.64
Payable to Student Groups		168,723.84
Interfunds Payable		927.99
Total Liabilities	<u>\$ -</u>	<u>\$ 508,345.47</u>
 <u>NET ASSETS</u>		
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 25,086.76</u>	<u>\$ -</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

H-2

	<u>Unemployment Compensation Trust</u>
<u>Additions</u>	
Contributions:	
Plan Members	\$ 53,133.99
Transfers In	110,396.00
Investment Earnings:	
Interest on Investments	30.47
Total Additions	<u>163,560.46</u>
 <u>Deductions</u>	
Unemployment Claims	<u>160,455.43</u>
Total Deductions	<u>160,455.43</u>
 Change in Net Assets	 3,105.03
 Net Assets - Beginning of the Year	 <u>21,981.73</u>
 Net Assets - End of the Year	 <u><u>\$ 25,086.76</u></u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2012

H-3

	<u>Balance</u> <u>June 30, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2012</u>
Elementary Schools:				
School Number Seven	\$ 66.34	\$ 20.00	\$ 45.59	\$ 40.75
Music Fund	892.23	1.35		893.58
Special Education				
Summer Program	<u>3,721.44</u>	<u>5,194.66</u>	<u>5,013.19</u>	<u>3,902.91</u>
Total Elementary Schools	4,680.01	5,216.01	5,058.78	4,837.24
Junior High School	17,043.32	16,635.47	19,000.85	14,677.94
Senior High School	<u>155,573.01</u>	<u>246,027.73</u>	<u>252,392.08</u>	<u>149,208.66</u>
	<u>\$ 177,296.34</u>	<u>\$ 267,879.21</u>	<u>\$ 276,451.71</u>	<u>\$ 168,723.84</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 PAYROLL AGENCY FUND
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2012

H-4

<u>ASSETS</u>	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
Cash and Cash Equivalents	\$ 297,575.89	\$ 39,565,418.69	\$ 39,523,372.95	\$ 339,621.63
Total Assets	<u>\$ 297,575.89</u>	<u>\$ 39,565,418.69</u>	<u>\$ 39,523,372.95</u>	<u>\$ 339,621.63</u>
<u>LIABILITIES</u>				
Payroll Deductions and Withholdings Due to General Fund	\$ 296,513.89 1,062.00	\$ 39,564,490.70 927.99	\$ 39,522,310.95 1,062.00	\$ 338,693.64 927.99
Total Liabilities	<u>\$ 297,575.89</u>	<u>\$ 39,565,418.69</u>	<u>\$ 39,523,372.95</u>	<u>\$ 339,621.63</u>

I. LONG-TERM DEBT

STATISTICAL SECTION (UNAUDITED)

INTRODUCTION TO THE STATISTICAL SECTION

FINANCIAL TRENDS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NET ASSETS BY COMPONENT
 LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)
 Unaudited

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:										
Invested in Capital Assets - Net of Related Debt	\$ 5,476,605.97	\$ 5,960,276.60	\$ 6,103,240.12	\$ 5,980,915.90	\$ 5,920,405.02	\$ 6,045,712.12	\$ 5,668,604.93	\$ 5,999,578.07	\$ 4,544,398.88	\$ 4,392,063.19
Restricted	90,310.28	90,310.28	90,310.28	447,023.05	80,038.31	528,453.79	592,423.28	1,192,266.86	1,847,100.30	2,254,856.79
Unrestricted	(2,179,112.03)	(3,404,453.05)	(4,374,981.82)	(4,065,792.72)	(2,280,399.55)	(2,455,690.32)	(1,508,118.67)	(1,849,103.23)	(1,151,556.58)	(3,077,028.55)
Total Governmental Activities Net Assets	\$ 3,387,804.22	\$ 2,646,133.83	\$ 1,818,568.58	\$ 2,362,146.23	\$ 3,720,043.78	\$ 4,118,475.59	\$ 4,752,909.54	\$ 5,342,741.70	\$ 5,239,942.60	\$ 3,569,891.43
Business-Type Activities:										
Invested in Capital Assets - Net of Related Debt	\$ 139,997.95	\$ 158,248.96	\$ 134,952.87	\$ 98,679.05	\$ 115,498.35	\$ 102,266.84	\$ 73,383.73	\$ 72,514.85	\$ 78,886.89	\$ 80,240.87
Unrestricted	413,791.48	310,712.40	234,957.31	156,596.14	100,936.89	102,910.30	111,133.27	95,334.41	115,192.61	59,286.11
Total Business-Type Activities Net Assets	\$ 553,789.43	\$ 468,961.36	\$ 369,910.18	\$ 255,275.19	\$ 216,435.24	\$ 205,177.14	\$ 184,517.00	\$ 167,849.26	\$ 194,079.50	\$ 139,526.98
District-Wide:										
Invested in Capital Assets - Net of Related Debt	\$ 5,616,603.92	\$ 6,118,525.56	\$ 6,238,192.99	\$ 6,079,594.95	\$ 6,035,903.37	\$ 6,147,978.96	\$ 5,741,988.66	\$ 6,072,092.92	\$ 4,623,285.77	\$ 4,472,304.06
Restricted	90,310.28	90,310.28	90,310.28	447,023.05	80,038.31	528,453.79	592,423.28	1,192,266.86	1,847,100.30	2,254,856.79
Unrestricted	(1,785,320.55)	(3,093,740.65)	(4,140,024.51)	(3,909,196.58)	(2,179,462.66)	(2,352,780.02)	(1,896,985.40)	(1,753,768.82)	(1,036,363.97)	(3,017,742.44)
Total District Net Assets	\$ 3,941,593.65	\$ 3,115,095.19	\$ 2,188,478.76	\$ 2,617,421.42	\$ 3,936,479.02	\$ 4,323,652.73	\$ 4,937,426.54	\$ 5,510,590.96	\$ 5,434,022.10	\$ 3,709,418.41

Source: CAFR A-1

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

1-2
2003

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Governmental Activities:										
Instruction:										
Regular	\$ 26,803,278.47	\$ 26,803,278.47	\$ 20,820,781.04	\$ 25,631,408.77	\$ 28,331,125.70	\$ 25,631,468.45	\$ 24,155,619.27	\$ 23,261,131.50	\$ 21,520,323.89	\$ 21,200,531.15
Special Education	6,475,354.05	6,475,354.05	5,774,970.65	6,084,473.41	5,628,653.69	5,311,430.60	4,833,097.62	4,657,628.38	4,127,269.15	3,641,303.45
Other Special Education	3,428,170.63	3,428,170.63	3,168,050.29	3,424,402.43	2,868,856.76	2,173,142.81	1,862,648.33	1,901,081.61	1,574,502.38	1,185,674.17
Other Instruction	752,773.23	752,773.23	1,074,939.21	1,056,622.57	1,037,391.06	1,014,319.59	990,620.69	928,423.42	798,488.96	718,575.41
Community Services	854.40									
Support Services:										
Tuition	4,086,215.79	2,808,925.39	3,337,235.98	3,335,391.74	3,258,755.21	2,896,910.16	2,595,598.10	2,679,337.67	2,864,422.66	3,768,263.24
Student and Instruction Related Services	8,046,007.04	8,703,081.22	8,646,165.28	8,254,068.23	7,779,653.69	7,594,259.64	7,322,415.35	6,924,323.54	6,468,021.88	5,448,021.88
School Administrative Services	4,301,275.11	3,911,558.60	4,361,647.26	4,154,801.94	4,154,801.94	4,130,505.48	4,143,592.85	3,782,284.48	3,598,541.76	3,445,587.88
General Administration	2,385,654.55	2,261,647.26	2,302,139.95	2,221,911.44	2,142,171.28	2,108,500.07	1,933,330.02	1,703,161.36	1,698,633.21	1,663,078.66
Plant Operations and Maintenance	5,328,638.88	5,473,863.45	5,401,637.77	5,352,301.13	5,306,039.19	5,089,860.59	4,770,867.64	4,577,486.25	4,339,815.25	3,961,619.41
Pupil Transportation	2,650,853.21	2,443,239.05	2,645,593.36	2,545,749.76	2,372,222.18	2,300,230.02	1,965,884.65	1,793,019.56	1,724,801.68	1,790,267.82
Special Schools	76,130.00	13,881.00	19,910.00	107,561.39	84,466.88	104,284.00	84,903.74	8,140.00	8,689.99	7,900.00
Charter Schools	394,891.25	411,635.77	458,360.96	463,081.18	463,082.00	17,054.00	18,385.00	13,845.23	470,612.28	16,728.00
Unallocated Depreciation	64,397,900.81	64,397,900.81	65,931,410.75	62,430,431.23	61,026,673.84	59,355,675.64	58,235,954.17	52,510,541.35	49,306,735.04	47,392,440.29
Total Governmental Activities Expenses	2,053,615.69	1,853,958.79	2,053,615.69	1,745,758.62	1,626,953.28	1,626,953.28	1,418,721.46	1,576,858.93	1,488,118.43	1,417,181.41
Business-Type Activities:	\$ 68,951,515.30	\$ 68,340,930.16	\$ 67,749,665.19	\$ 64,147,189.81	\$ 62,623,717.28	\$ 60,968,629.14	\$ 59,862,927.45	\$ 54,097,458.28	\$ 50,752,653.47	\$ 48,909,921.70
Food Service										
Total District Expenses	\$ 5,452,802.09	\$ 6,058,669.03	\$ 5,619,617.49	\$ 4,352,347.51	\$ 9,847,957.03	\$ 9,384,641.79	\$ 7,487,433.20	\$ 7,032,800.53	\$ 6,616,764.29	\$ 5,738,309.39
Program Revenues:										
Governmental Activities:										
Operating Grants and Contributions	655,259.56	657,873.33	700,376.85	724,505.69	725,808.63	824,451.05	800,669.05	801,069.26	781,786.91	746,857.77
Charge for Food Services	1,209,127.56	1,022,207.27	976,315.78	805,501.77	657,308.71	527,865.77	418,721.46	524,995.87	508,721.70	449,795.45
Operating Grants and Contributions	1,581,871.12	1,580,680.60	1,676,692.63	1,540,037.46	1,383,115.40	1,352,316.82	1,419,390.51	1,325,464.13	1,290,517.61	1,196,353.22
Total Business-Type Activities Program Revenues	\$ 7,748,773.24	\$ 7,268,775.63	\$ 7,957,385.26	\$ 5,862,354.97	\$ 11,231,072.43	\$ 10,236,958.61	\$ 8,886,623.71	\$ 9,359,281.90	\$ 7,907,281.90	\$ 6,934,682.61
Net (Expense)/Revenue	\$ (59,405,098.62)	\$ (67,421,762.34)	\$ (60,311,753.26)	\$ (58,049,083.78)	\$ (51,776,716.61)	\$ (49,975,033.95)	\$ (47,768,630.57)	\$ (45,477,740.82)	\$ (42,659,970.75)	\$ (41,654,430.90)
Governmental Activities	(191,744.57)	(170,286.19)	(137,692.81)	(205,711.05)	(263,927.94)	(254,636.68)	(207,572.71)	(251,492.80)	(195,600.82)	(220,824.19)
Business-Type Activities	\$ (59,596,843.05)	\$ (67,592,036.15)	\$ (60,449,316.07)	\$ (58,254,834.84)	\$ (51,442,614.85)	\$ (50,220,400.27)	\$ (47,976,103.26)	\$ (45,226,243.62)	\$ (42,855,571.57)	\$ (41,875,255.09)
Total District-Wide Net Expense	\$ 32,659,663.00	\$ 27,269,440.05	\$ 27,969,663.00	\$ 25,587,305.40	\$ 28,047,187.84	\$ 31,691,984.00	\$ 28,752,217.00	\$ 26,811,366.00	\$ 25,694,001.00	\$ 24,715,376.00
General Revenue and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	435,295.29	61,355.00	13,245.00	25,102,295.95	19,013,422.25	18,417,506.04	18,682,264.47	18,985,138.09	18,945,137.87	15,945,137.87
Unrestricted Grants and Contributions	26,699.98	4,899.51	8,595.53	93,615.52	117,413.45	60,376.04	29,649.91	82,200.65	6,619.82	6,600.63
Restricted Grants and Contributions	4,899.51	8,595.53	14,473.29	14,473.29	20,915.13	22,973.96	24,346.63	38,884.70	37,876.98	41,086.24
Tuition Received	171,773.77	175,589.17	156,406.65	104,855.14	211,544.27	153,264.44	169,536.77	268,974.10	206,380.83	83,994.86
Investment Earnings	(9,329.00)	(9,329.00)	(9,329.00)	(71,844.93)	(71,844.93)	(71,844.93)	(116,794.67)	(175,753.82)	(31,556.46)	
Miscellaneous Income										
Capital Assets Retired Net of Accumulated Depreciation										
State Aid Receivable Canceled										
Tuition Waivers	(276,353.38)	(268,013.51)	(251,972.48)	(244,292.74)	(275,000.00)	(31,430.54)	(180,702.84)	(225,000.00)	(259,000.00)	(250,000.00)
Total Governmental Activities	60,146,768.91	58,008,779.68	58,008,779.68	56,691,186.23	50,760,285.10	49,340,599.60	47,776,688.61	45,580,598.62	44,360,021.93	40,551,950.99
Business-Type Activities:										
Investment Earnings	189.26	325.86	345.32	288.27	186.04	296.82	308.15	292.59	153.34	215.26
Capital Contributions	276,353.38	269,013.51	251,872.48	244,292.74	275,000.00	275,000.00	223,932.36	225,000.00	250,000.00	34,000.00
Tuition	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84	2,167,572.84
Total Business-Type Activities	\$ 60,433,341.65	\$ 59,771,192.25	\$ 60,000,433.41	\$ 59,935,177.24	\$ 51,055,471.14	\$ 49,616,896.72	\$ 47,402,939.32	\$ 46,805,602.49	\$ 44,610,175.27	\$ 40,859,659.25
Total District-Wide	\$ 741,670.38	\$ 84,828.07	\$ 84,828.07	\$ 114,634.69	\$ 11,268.10	\$ 20,660.14	\$ 16,587.74	\$ 102,798.10	\$ 1,670,051.18	\$ (1,100,059.91)
Change in Net Assets	\$ 825,456.46	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24
Governmental Activities										
Business-Type Activities										
Total District	\$ 825,456.46	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24	\$ 1,584,068.24

Source: CAFR A-2

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:										
Reserved	\$ 1,783,403.73	\$ 1,066,247.61	\$ 562,264.53	\$ 1,288,261.73	\$ 478,331.84	\$ 912,720.19	\$ 721,805.65	\$ 669,689.50	\$ 1,882,150.15	\$ 2,397,255.79
Unreserved	(1,262,907.97)	(1,753,025.30)	(1,719,712.68)	(1,775,828.56)	189,431.51	(94,501.04)	227,429.72	453,371.67	(135,902.03)	(487,229.36)
Total General Fund	\$ 520,495.76	\$ (686,677.69)	\$ (1,157,448.15)	\$ (487,566.83)	\$ 667,763.35	\$ 818,219.15	\$ 949,235.37	\$ 1,123,061.17	\$ 1,746,248.12	\$ 1,910,026.43
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 453,507.84	\$ 444,864.52	\$ 1,005,485.42	\$ 134,411.17	\$ 798,568.52	\$ -
Unreserved, Reported in:					(68,268.35)	(16,963.60)	(16,963.60)	(16,963.60)	(16,963.60)	(16,963.60)
Special Revenue Fund								879,046.75	1,032,135.02	64,852.41
Capital Projects Fund										
Total All Other Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ 385,239.49	\$ 427,900.92	\$ 988,521.82	\$ 966,494.32	\$ 1,813,759.94	\$ 47,888.81

Source: CAFR B-1

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

J-1

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues										
Local Tax Levy	\$ 32,958,663.00	\$ 32,959,663.00	\$ 31,691,964.00	\$ 31,691,964.00	\$ 31,681,984.00	\$ 30,987,272.00	\$ 28,792,217.00	\$ 26,611,356.00	\$ 25,694,001.00	\$ 24,715,376.00
Tuition Charges	26,698.96	61,356.00	94,998.19	93,615.52	117,413.45	60,376.04	29,649.91	82,200.85	6,619.82	6,620.63
Interest Earnings										
Miscellaneous	176,627.71	183,566.01	171,237.74	119,131.89	231,254.16	176,085.58	190,674.12	8,506.46	18,949.60	30,853.28
State Sources	29,273,069.34	27,766,521.17	26,263,728.75	27,134,103.43	26,812,714.42	25,577,938.99	24,005,165.93	23,590,406.16	22,145,69	93,805.07
Federal Sources	3,460,554.30	4,312,478.41	7,394,317.34	2,287,492.03	2,004,071.96	2,205,087.04	2,125,846.47	2,208,721.94	2,093,666.71	19,854,697.78
Private Sources	28,618.50	16,300.14	22,004.24	33,048.00	44,598.90	24,759.76	20,779.26	22,550.52	33,336.86	1,811,018.20
Total Revenue	65,925,231.81	65,299,903.73	65,638,270.26	61,359,374.87	60,902,036.83	59,031,519.41	55,166,396.72	53,013,794.96	51,268,171.22	46,542,317.53
Expenditures										
Instruction:										
Regular Instruction	19,258,186.14	20,320,443.06	21,508,272.80	19,560,995.19	19,297,777.46	18,915,839.25	18,662,970.30	18,460,959.95	16,783,004.09	16,544,159.83
Special Education Instruction	4,513,484.06	4,441,032.95	4,144,155.70	4,242,045.47	3,973,776.70	3,756,551.23	3,603,916.48	3,473,573.77	3,158,049.36	2,794,693.64
Other Special Instruction	2,375,585.52	2,337,532.65	2,282,075.39	2,538,561.91	1,594,166.40	1,535,827.72	1,405,033.17	1,445,394.38	1,202,247.99	909,701.72
Other Instruction	570,047.58	650,230.09	815,271.58	853,595.56	786,141.78	767,886.61	753,933.78	743,702.09	630,846.42	575,378.13
Community Services	854.40									
Support Services and Undistributed Costs:										
Tuition	4,056,219.79	2,808,929.39	3,337,205.86	3,335,391.74	3,258,755.21	2,866,910.16	2,595,598.10	2,679,337.67	2,864,422.95	3,766,263.24
Student and Instruction Related Services	6,197,195.55	6,905,529.17	6,786,699.21	6,543,789.26	6,062,149.18	6,003,274.43	5,809,095.52	5,644,231.99	5,650,934.73	4,809,598.70
School Administrative Services	3,000,652.05	2,793,659.13	3,150,045.82	3,227,417.59	2,940,061.53	3,008,145.57	3,095,026.76	2,881,008.94	2,756,481.34	2,667,337.29
Other Administrative Services	1,918,343.00	1,844,178.51	1,831,340.66	1,803,518.15	1,657,267.44	1,731,067.25	1,566,112.61	1,424,666.59	1,389,776.05	1,394,745.94
Plant Operations and Maintenance	4,376,102.32	4,406,714.70	4,427,766.90	4,522,597.35	4,518,467.69	4,158,457.42	4,016,377.29	3,882,712.95	3,676,466.18	3,342,001.11
Pupil Transportation	2,262,662.79	2,064,803.33	2,210,291.71	2,204,729.97	1,965,413.38	1,975,053.63	1,698,872.04	1,542,837.16	1,476,427.97	1,597,810.02
Unallocated Benefits	15,320,377.31	14,837,925.41	14,286,042.56	12,792,766.91	13,830,328.83	13,378,281.25	10,659,628.59	9,488,173.59	8,732,264.71	7,798,261.77
Special Schools	76,130.00	13,881.00	19,910.00	107,961.99	84,464.88	104,284.00	84,903.74	81,400.00	8,699.99	7,900.00
Transfer to Charter Schools	97,287.30	522,993.72	713,764.81	801,263.16	882.00	17,054.00	16,365.00	13,845.23	16,728.00	16,728.00
Capital Outlay	64,023,127.81	63,947,973.11	65,515,863.14	62,514,654.27	545,332.60	1,057,433.99	637,595.18	1,873,657.24	1,433,010.03	304,011.18
Excess (Deficiency) of Revenue Over/(Under) Expenditures	1,902,104.00	1,351,990.62	122,407.12	(1,155,279.40)	257,051.81	(264,547.10)	323,647.96	(648,446.59)	1,485,559.41	11,726.96
Other Financing Sources/(Uses):										
Capital Leases (Nonbudgeted)										
Transfers In										
Transfers Out										
State Aid Cancelled										
Total Other Financing Sources/(Uses)	(694,930.55)	(881,220.16)	(792,288.44)	(395,260.27)	(440,169.04)	(427,090.02)	(511,446.26)	(792,005.96)	106,533.41	(525,237.47)
Net Change in Fund Balances	\$ 1,207,173.45	\$ 470,770.46	\$ (669,881.32)	\$ (1,550,569.67)	\$ (183,117.23)	\$ (691,637.12)	\$ (181,796.30)	\$ (1,440,452.57)	\$ 1,602,082.82	\$ (513,510.51)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Noncapital expenditures are total expenditures less capital outlay.

Source: CAFR B-2

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Prior Year Appropriation Refunds	\$ 113,750.30	\$ 111,180.57	\$ 100,519.62	\$ 65,367.35	\$ 154,616.01	\$ 111,378.62	\$ 100,642.86	\$ 163,521.87	\$ 95,063.86	\$ 13,214.47
Rentals	2,112.00	5,664.50	2,112.00	3,768.00	3,788.00	2,862.00	16,478.55	31,064.19	36,472.25	32,206.19
Pupil Transportation Fees	28,646.66	19,095.00	18,030.00	10,403.00	13,988.00	8,424.00	23,136.25	28,982.70	40,263.70	16,742.40
Interest on Investments	4,847.94	8,426.84	16,112.39	14,176.75	20,529.11	22,821.14	24,177.38	38,585.39	37,704.48	40,703.39
Tuition	26,688.86	61,355.00	94,998.19	93,615.52	117,413.45	60,376.04	29,649.91	82,200.85	6,619.82	6,620.63
Athletic Game Receipts		36,020.00	2,850.00	14,418.00	15,185.00	12,863.00	11,778.00	13,655.00	11,137.00	9,894.00
Insurance Claims	800.00					9,415.95		435.00		
Prior Year Accounts Payable Cancelled	6,005.60		2,010.37		3,571.92	4,154.65	4,918.79	7,855.01	1,764.06	1,562.20
Prior Year Outstanding Checks Cancelled	285.00	384.98	14,405.36	2,438.60	3,872.13	3,601.04	3,115.82	2,014.02	8,680.00	
Summer Enrichment Program Fees						200.00	6,350.00	8,185.00		8,000.00
Contributions from Private Sources						219.55	1,798.45	2,566.83	7,865.75	1,544.04
Other Sales and Fees	15,416.80	3.75	12,746.75	2,069.12	15,436.75	219.55	105.37	1,597.71	2,040.36	759.00
Book Fines	2,962.79	2,759.67	2,451.35	6,376.27	250.08	145.63				129.32
Telephone Commissions										
Miscellaneous	1,800.62	50.70		714.80	36.16		216.58	1,505.79	338.83	103.34
	<u>\$ 203,326.67</u>	<u>\$ 244,941.01</u>	<u>\$ 266,235.93</u>	<u>\$ 212,747.41</u>	<u>\$ 348,667.61</u>	<u>\$ 236,461.62</u>	<u>\$ 222,368.06</u>	<u>\$ 379,780.34</u>	<u>\$ 250,715.11</u>	<u>\$ 131,278.98</u>

REVENUE CAPACITY

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
Unaudited

J-6

Year	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2012	\$ 46,700,780	\$ 2,045,375,500	\$ 299,717,800	\$ 136,380,450	\$ 213,775,750	\$ 2,741,950,280	\$ 6,458,076	\$ 2,748,408,356	\$ N/A	1.199
2011	81,072,280	2,078,775,000	309,523,000	159,276,850	235,705,600	2,864,352,730	8,314,100	2,840,941,930	3,503,942,829	1.160
2010	59,270,400	2,504,842,452	324,554,350	146,289,900	245,014,600	3,279,971,702	4,056,500	3,284,028,202	3,567,135,218	1.004
2009	63,067,000	2,567,684,702	334,527,700	167,707,000	261,608,800	3,394,595,202	4,200,950	3,398,796,152	3,718,167,746	0.93
2008	62,586,000	2,545,600,800	339,804,000	167,937,700	281,739,200	3,397,667,700	4,200,950	3,401,868,650	3,643,093,779	0.93
2007	68,248,200	2,539,801,100	343,468,600	178,613,900	284,402,000	3,414,533,800	4,275,947	3,418,809,747	3,402,043,796	0.93
2006	8,066,500	324,837,150	47,839,100	24,278,000	31,995,000	437,015,750	635,325	437,651,075	2,881,677,936	7.11
2005	4,837,400	323,434,650	48,766,700	24,425,100	30,311,300	431,775,150	838,166	432,613,316	2,369,503,255	6.66
2004	4,741,800	322,455,650	48,218,700	24,215,700	30,473,400	430,105,250	944,952	431,050,202	2,063,144,261	6.22
2003	2,092,200	322,394,650	49,318,975	23,986,725	30,380,200	428,172,750	1,092,345	429,265,095	1,792,862,032	5.99

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
*Unaudited***

J-7

<u>Year</u>	<u>Belleville School District Direct Rate</u>		<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>Total Direct School Tax Rate</u>	<u>Township of Belleville</u>	<u>Essex County</u>	
2012	\$1.199	\$1.199	\$1.598	\$ 0.491	\$ 3.288
2011	1.160	1.160	1.504	0.538	3.202
2010	1.004	1.004	1.262	0.441	2.707
2009	0.933	0.933	1.104	0.427	2.464
2008	0.932	0.932	1.103	0.416	2.451
2007	0.93	0.93	0.94	0.39	2.26
2006	7.11	7.11	5.89	2.89	15.89
2005	6.66	6.66	5.89	2.52	15.07
2004	6.22	6.22	5.80	2.50	14.52
2003	5.99	5.99	5.66	2.44	14.09

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
*Unaudited***

J-8

<u>Taxpayer</u>	<u>2012</u>		<u>2003</u>	
	<u>Assessed Valuation</u>	<u>% of Total District's Net Assessed Value</u>	<u>Assessed Valuation</u>	<u>% of Total District's Net Assessed Value</u>
Branch Brook Association	\$ 36,722,900	1.34%	\$ 4,305,000	1.00%
432 Owners, Inc	17,250,000	0.63%	3,225,000	0.75%
Route 21 Association	14,435,000	0.53%	2,400,000	0.56%
Public Service Electric and Gas	13,282,100	0.48%		
Belleville Industrial Center	12,505,600	0.46%	1,561,300	0.36%
Oster Belleville Properties	11,405,000	0.41%	1,907,900	0.44%
Belleville Industrial Properties	10,997,700	0.40%		
Belleville Center, LLC	10,804,200	0.39%	1,900,000	0.44%
Clara Maass Health Systems	8,801,200	0.32%	1,575,000	0.37%
Bellevue Gardens	8,000,000	0.29%	1,216,500	0.28%
Roche Diagnostics			4,126,800	0.96%
K-Mart			1,435,000	0.33%
	<u>\$144,203,700</u>	<u>5.25%</u>	<u>\$23,652,500</u>	<u>5.49%</u>

Source: Municipal Tax Collector

Note: There was a revaluation in the year 2007.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
*Unaudited***

J-9

<u>Year Ended June 30,</u>	<u>School Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Current Tax Collections</u>	<u>Percent of Tax Levy Collected</u>	
2012	\$32,959,663	\$32,959,663	100.00%	\$
2011	32,959,663	32,959,663	100.00%	
2009	31,691,984	31,691,984	100.00%	
2008	31,691,984	31,691,984	100.00%	
2007	30,987,272	29,696,135	95.83%	1,291,137.00
2006	28,792,217	28,792,217	100.00%	
2005	26,811,356	26,811,356	100.00%	
2004	25,694,001	25,694,001	100.00%	
2003	24,715,376	23,685,568	95.83%	1,029,808.00

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

DEBT CAPACITY

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Unaudited

J-10

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)			
2012	\$	\$	\$	\$	\$	*	\$ *
2011						*	*
2010			3,112.83		3,112.83	*	*
2009			12,195.39		12,195.39	0.0007%	0.36
2008			40,277.01		40,277.01	0.002%	1.19
2007			159,179.76		159,179.76	0.01%	3.17
2006			277,740.68		277,740.68	0.02%	5.92
2005			343,455.30		343,455.30	0.02%	7.81
2004			465,343.50		465,343.50	0.03%	11.45
2003							

*Data was not provided by the U.S. Bureau of Economic Analysis.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
*Unaudited***

J-11

Fiscal Year Ended <u>June 30,</u>	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value of <u>Property</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2012	\$	\$	\$		\$
2011					
2010					
2009					
2008					
2007					
2006					
2005					
2004					
2003					

Note: The District has no outstanding bonded debt.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012
Unaudited**

J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Municipal Debt Repaid with Property Taxes: Township of Belleville	\$ 24,947,304.00	100.00%	\$ 24,947,304.00
County of Essex	1,085,119,236.00	3.84%	41,652,096.00
Total Overlapping Debt			66,599,400.00
Belleville District Direct Debt			-
Total Direct and Overlapping Debt			\$ 66,599,400.00

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

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

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

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 COMPUTATION OF LEGAL DEBT MARGIN
 LAST TEN FISCAL YEARS
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

Year	Equalized Valuation Basis	2009	2010	2011	2012	2007	2006	2005	2004	2003
2009	\$ 3,646,181,742									
2010	3,457,332,879									
2011	<u>3,038,974,177</u>									
	<u>\$10,142,488,798</u>									
	<u>\$ 3,380,829,599</u>									
Average Equalized Valuation of Taxable Property										
	\$ 135,233,184									
School Borrowing Margin (4% of \$3,380,829,599)										
	<u>\$ 135,233,184</u>									
Net Bonded School Debt as of June 30, 2012										
Debt Limit		\$ 135,233,184	\$ 145,875,347	\$ 143,752,537	\$ 145,875,347	\$ 113,346,134	\$ 95,760,776	\$ 81,743,574	\$ 71,914,962	\$ 64,636,742
Total Net Debt Applicable to Limit										
Legal Debt Margin		<u>\$ 135,233,184</u>	<u>\$ 145,875,347</u>	<u>\$ 143,752,537</u>	<u>\$ 145,875,347</u>	<u>\$ 113,346,134</u>	<u>\$ 95,760,776</u>	<u>\$ 81,743,574</u>	<u>\$ 71,914,962</u>	<u>\$ 64,636,742</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DEMOGRAPHIC AND ECONOMIC INFORMATION

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
*Unaudited***

J-14

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012		\$ *	\$ *	
2011	35,981	*	*	10.70%
2010	35,932	*	*	11.10%
2009	33,842	1,703,910,858	50,349	10.70%
2008	33,755	1,742,331,835	51,617	6.30%
2007	33,820	1,695,937,720	50,146	4.90%
2006	33,899	1,621,626,463	47,837	5.50%
2005	34,435	1,503,053,315	43,649	5.30%
2004	34,970	1,459,542,890	41,737	3.40%
2003	35,415	1,380,476,700	38,980	4.20%

Note:

*Data was not provided by the U.S. Bureau of Economic Analysis.

Source:

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

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

Per capita personal income by municipality estimated based upon the 2000 Census published by the U.S. Bureau of Economic Analysis.

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

OPERATING INFORMATION

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

J-16

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Function/Program										
Instruction:										
Regular	242	230	241	243	257	260	342	272	246	268
Special Education	84	83	88	90	91	59	62	62	62	62
Other Special Education	40	36	36	40	41	30	34	34	34	34
Other Instruction		1	1	1	1	1	1	1	1	1
Support Services:										
Student and Instruction Services	57	74	68	77	68	63	67	66	63	55
General Administration	6	7	5	5	5	7	7	4	4	5
School Administrative Services	32	29	34	34	34	38	39	37	36	37
Central Services	6	6	6	7	7	7	7	7	7	7
Administrative Information Technology	2	3	5	5	5	2	2	2	1	1
Plant Operations and Maintenance	42	38	40	40	40	39	38	41	42	42
Pupil Transportation	2	2	18	20	18	8	1	12	2	12
Other Support Services					1	2	2	2	2	5
Total	<u>512</u>	<u>509</u>	<u>542</u>	<u>562</u>	<u>568</u>	<u>516</u>	<u>602</u>	<u>540</u>	<u>498</u>	<u>529</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
*Unaudited***

J-17

Fiscal Year Ended June 30...	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment	Average Daily Attendance	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	Senior High School				
2012	4,705	\$ 64,023,128	\$13,607	-0.75%	337	15.4	12.6	12.3	4,648.9	4,387.2	2.07%	94.37%
2011	4,626	63,424,919	13,711	0.97%	312	17.3	13.6	12.1	4,554.7	4,265.8	1.40%	93.66%
2010	4,552	61,813,462	13,579	-0.30%	364	17.0	11.0	10.7	4,491.9	4,209.1	0.73%	93.70%
2009	4,531	61,713,391	13,620	0.50%	346	17.0	12.0	11.3	4,459.3	4,181.7	1.10%	93.77%
2008	4,435	60,099,652	13,553	4.42%	338	23.6	15.4	15.7	4,410.8	4,220.1	-0.93%	95.68%
2007	4,487	58,238,633	12,979	7.79%	349	25.3	17.8	18.6	4,452.2	4,188.6	-0.45%	94.08%
2006	4,501	54,199,154	12,042	5.79%	340	23.2	17.3	14.6	4,472.5	4,294.1	-1.34%	96.01%
2005	4,541	51,688,584	11,383	7.59%	336	19.6	17.3	17.4	4,533.2	4,263.9	-0.12%	94.06%
2004	4,568	48,329,602	10,580	3.93%	333	16.9	12.8	12.5	4,538.7	4,282.3	0.55%	94.35%
2003	4,541	46,226,579	10,180	0.92%	331	15.7	14.9	13.0	4,514.0	4,248.1	0.41%	94.11%

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited**

J-18

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>District Building</u>										
<u>Elementary</u>										
School Three										
Square Feet	43,852	43,852	43,852	43,852	43,852	43,852	43,852	43,852	43,852	43,852
Capacity (students)	298.8	298.8	298.8	298.8	298.8	298.8	298.8	298.8	298.8	298.8
Enrollment	379	379	379	374	340	349	336	325	360	372
School Four										
Square Feet	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647
Capacity (students)	434.4	434.4	434.4	434.4	434.4	434.4	434.4	434.4	434.4	434.4
Enrollment	382	382	382	364	369	347	318	356	351	308
School Five										
Square Feet	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434
Capacity (students)	333.4	333.4	333.4	333.4	333.4	333.4	333.4	333.4	333.4	333.4
Enrollment	393	393	393	401	386	363	354	360	380	381
School Seven										
Square Feet	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030
Capacity (students)	386.5	386.5	386.5	386.5	386.5	386.5	386.5	386.5	386.5	386.5
Enrollment	383	383	383	342	379	404	445	426	459	470
School Eight										
Square Feet	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283
Capacity (students)	430.4	430.4	430.4	430.4	430.4	430.4	430.4	430.4	430.4	430.4
Enrollment	533	533	533	524	490	498	474	468	443	478
School Nine										
Square Feet	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167
Capacity (students)	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5
Enrollment	141	141	141	152	147	140	144	121	140	140
School Ten										
Square Feet	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401
Capacity (students)	168.9	168.9	168.9	168.9	168.9	168.9	168.9	168.9	168.9	168.9
Enrollment	184	184	184	167	148	144	148	148	142	144
<u>Middle School</u>										
Square Feet	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552
Capacity (students)	638.8	638.8	638.8	638.8	638.8	638.8	638.8	638.8	638.8	638.8
Enrollment	708	708	708	683	687	682	689	719	742	804
<u>High School</u>										
Square Feet	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454
Capacity (students)	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9	1,473.9
Enrollment	1,454	1,454	1,454	1,453	1,495	1,560	1,576	1,613	1,551	1,437
<u>Other</u>										
School One*										
Square Feet		33,512	33,512	33,512	33,512	33,512	33,512	33,512	33,512	33,512
Garage Middle School										
Square Feet	465	465	465	465	465	465	465	465	465	465
Field House										
Square Feet	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Field House										
Square Feet	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Plant Building										
Square Feet	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Number of Schools at June 30, 2012

- Elementary = 7
- Middle School = 1
- High School = 1
- Other = 4

*Ownership of School One was transferred to the Township of Belleville on August 24, 2011.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**
Unaudited

J-19

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

School Facilities*	Project #(s)	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
School Three	N/A	\$ 94,659.86	\$ 81,151.07	\$ 29,034.94	\$ 36,701.82	\$ 74,464.33	\$ 49,497.34	\$ 36,125.27	\$ 53,920.95	\$ 44,719.24	\$ 22,992.67
School Four	N/A	104,830.20	29,228.22	43,851.07	20,820.61	44,232.93	15,668.10	32,199.55	49,155	35,078	22,043
School Five	N/A	53,008.72	105,709.07	78,429.52	38,129.84	37,439.00	55,345.93	51,163.22	84,434	35,372	26,893
School Seven	N/A	47,811.20	111,016.62	62,066.75	42,395.33	96,599.42	82,098.60	71,596.72	67,968	52,509	22,475
School Eight	N/A	80,265.36	153,379.72	83,177.74	75,102.37	80,841.65	48,439.89	53,090.38	75,109	50,801	71,925
School Nine	N/A	101,867.02	13,336.36	10,097.98	39,545.51	24,377.38	15,739.32	15,307.29	35,149	17,194	12,687
School Ten	N/A	48,564.16	99,919.11	19,191.42	70,625.57	87,401.65	64,841.39	9,266.06	41,209	31,454	9,717
Middle School	N/A	137,154.01	111,740.24	81,591.52	124,668.87	290,513.36	71,922.54	67,490.14	134,419	78,171	145,090
High School	N/A	378,733.26	227,664.01	359,380.49	492,188.06	381,625.35	430,669.99	455,529.60	265,374	352,567	156,981
Total School Facilities		\$1,046,893.79	\$933,144.42	\$766,820.53	\$940,177.98	\$1,097,495.07	\$834,243.10	\$791,769.23	\$806,735.69	\$697,864.56	\$490,804.40

* School Facilities as defined under EFCOA, (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2012
UNAUDITED

J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - N.J. School Boards Association Insurance Group:		
Property:		
Blanket Building and Contents	\$ 71,476,123	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers and Records	10,000,000	5,000
Demolition and Increased Costs of Construction	10,000,000	
Fire Department Service Charge/Arson Reward	10,000	
Flood - Zones SFHA	10,000,000	500,000
Earthquake	50,000,000	
Terrorism	1,000,000	
Arson Reward	10,000	
Pollutant Cleanup and Removal	250,000	
Liability:		
Comprehensive General Liability	11,000,000	
Bodily Injury from Products and Completed Operations	11,000,000	
Sexual Abuse	11,000,000	
Premises Medical Payments	10,000	100
Employee Benefits	11,000,000	1,000
Electronic Data Processing:		
Blanket Hardware/Software	300,000	1,000
Crime:		
Employee Dishonesty	250,000	1,000
Forgery or Alteration	100,000	1,000
Money and Securities	50,000	500
Money Orders/Counterfeit	50,000	500
Computer Fraud	250,000	1,000
Automobile:		
Comprehensive Automobile Liability	11,000,000	
Uninsured Motorists	1,000,000	
Personal Injury Protection	250,000	
Garagekeepers Liability	1,000,000	
Inland Marine:		
Blanket Hardware/Software	300,000	1,000
Errors and Omissions - N.J. School Boards Association Insurance Group	11,000,000	15,000
Boiler and Machinery - N.J. School Boards Association Insurance Group	100,000,000	5,000
CAP Liability (Over \$10,000,000) Fireman's Fund Insurance	50,000,000	
Supplemental Workers Compensation - Star Insurance Company:		
Self Insured Retention	400,000	
Maximum Limit Per Occurrence	1,000,000	
Student Accident Insurance - Bollinger/Monumental Life Ins. Co.:		
Maximum Benefit Blanket Athletic Coverage Including Football	5,000,000	
Disability Plan for All Students	1,000,000	

Public Official Bonds - Selective Insurance Co.

<u>Name</u>	<u>Position</u>	
Edward J. Appleton	Board Secretary	350,000
Susan Corrado	Treasurer of School Monies	350,000

SINGLE AUDIT SECTION

550 BROAD STREET, 11TH FLOOR
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable President and Members
of the Board of Education
Belleville Township School District
County of Essex
Belleville, New Jersey 07109

We have audited the financial statements of the Board of Education of the Belleville Township School District, in the County of Essex, State of New Jersey, as of and for the fiscal year ended June 30, 2012 and have issued our report thereon dated December 12, 2012. 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.

Internal Control Over Financial Reporting

Management of the Board of Education of the Belleville Township School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Belleville Township Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Belleville Township Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Belleville Township Board of Education's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to the Board of Education of the Belleville Township School District in a separate report entitled *Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* dated December 12, 2012.

This report is intended solely for the information and use of the audit committee, management, the Belleville Township Board of Education, the New Jersey State Department of Education, and other federal and 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.


JOSEPH J. FACCONO
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
December 12, 2012

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NEWARK, N.J. 07102-4543
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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR FEDERAL AND STATE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND STATE OF NEW JERSEY OMB CIRCULAR LETTER 04-04**

The Honorable President and Members
of the Board of Education
Belleville Township School District
County of Essex
Belleville, New Jersey 07109

Compliance

We have audited the compliance of the Board of Education of the Belleville Township School District, in the County of Essex, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, and the *New Jersey State Aid/Grant Compliance Supplement* could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. Belleville Township Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Belleville Township Board of Education's management. Our responsibility is to express an opinion on the Belleville Township Board of Education's compliance based on our audit.

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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Belleville Township 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. Our audit does not provide a legal determination of Belleville Township Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Belleville Township School District, in the County of Essex, State of New Jersey, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

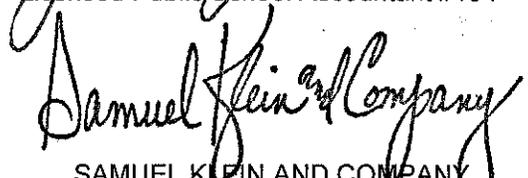
The management of the Board of Education of the Belleville Township School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Belleville Township Board of Education's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133 and 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 Belleville Township 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 state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, the Belleville Township Board of Education, the New Jersey State Department of Education, and other federal and 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.


JOSEPH J. FACCONI
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
December 12, 2012

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2011	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	(Accounts Receivable) June 30, 2012	Deferred Revenue June 30, 2012	Due to Grantor June 30, 2012
	U.S. Department of Education:											
	General Fund:											
93.778	Medicaid Initiative		7/1/10 - 6/30/11	\$ 99,930.65	\$ (21,325.60)	\$ -	\$ 21,325.60	\$ (9,126.39)	\$ -	\$ (7,641.25)	\$ -	\$ -
93.778	Administered Outreach Program		7/1/11 - 6/30/12	9,126.39			1,465.14					
93.778	Medicaid Initiative		7/1/11 - 6/30/12	122,143.58			122,412.58					
84.410A	Education Jobs Fund		8/10/10 - 9/30/12	871,444.00	(21,325.60)		607,608.75	(671,444.00)		(263,835.25)		
	Total General Fund						752,832.07	(1,002,982.97)		(271,476.50)		
	U.S. Department of Education Passed-Through State Department of Education:											
	Special Revenue Fund:											
84.010A	Title I	NCLB025011	9/7/10 - 8/31/11	852,084.00	(325,679.60)		325,679.60					
84.010A	Title I Carryover	NCLB025011	9/7/10 - 8/31/11	84,085.97	(84,085.97)		84,085.97					
84.010A	Title I	NCLB025012	9/7/11 - 8/31/12	868,864.00			673,116.00			(109,742.00)		
84.010A	Title I ARRA	NCLB025012	9/7/11 - 8/31/12	63,724.43			63,724.43	(782,858.00)				
84.010A	Title I ARRA	NCLB025010	9/7/10 - 8/31/11	273,569.82	(64,405.00)		64,405.00	(63,724.43)				
84.027A	LD.E.A. Part B, Basic Regular	FT-0250-11	9/7/10 - 8/31/11	1,024,062.00	(104,268.56)		104,268.56			(228,213.00)		
84.027A	LD.E.A. Part B, Basic Regular	FT-0250-12	9/7/11 - 8/31/12	1,101,885.00			873,672.00	(1,101,885.00)				
84.027A	LD.E.A. Part B, Basic Regular	FT-0250-11	9/7/10 - 8/31/11	7,941.44			7,941.44	(7,941.44)				
84.027A	LD.E.A. Part B, Basic Regular	FT-0250-12	9/7/10 - 8/31/11	24,643.00	(22,348.00)		22,348.00	(25,384.00)		(25,384.00)		
84.173A	LD.E.A. Part B, Basic Regular	PS-0250-11	9/7/10 - 8/31/11	25,384.00			47,461.00			(43,778.00)		
84.173A	LD.E.A. Part B, Basic Regular	PS-0250-12	9/7/10 - 8/31/11	459,745.11	(46,702.00)		46,702.00	(43,778.00)		(43,778.00)		
84.027A	LD.E.A. Part B, Basic Regular ARRA	PERK-0250-11	7/1/11 - 6/30/12	43,778.00			110,552.00	(161,792.07)		(51,240.07)		
84.048A	Carl D. Perkins Vocational Education	PERK-0250-12	7/1/11 - 6/30/12	43,778.00			37,256.00					
84.281	Title II-A, Training and Recruitment	NCLB025011	9/7/10 - 8/31/11	191,056.00	(41,464.00)		41,464.00					
84.318X	Title II-A, Training and Recruitment	NCLB025011	9/7/10 - 8/31/11	164,237.00	(2,054.00)		2,054.00					
84.366	Title II-D, Technology	NCLB025011	9/7/10 - 8/31/11	65,332.00	(37,256.00)		37,256.00					
84.367	Title III, Language Enhancement	NCLB025012	9/7/11 - 8/31/12	63,121.00			48,049.00			(11,808.05)		293.00
84.186A	Title III Immigrant	NCLB025008	9/7/08 - 8/31/09	39,440.00	293.00			(489.11)				
84.186A	Title IV, Drug Free Schools Carryover	NCLB025009	9/7/08 - 8/31/09	4,582.65	489.11		3,346.99					
84.186A	Title IV, Drug Free Schools Carryover	NCLB025011	9/7/10 - 8/31/11	3,346.99	(3,346.99)		487,762.92					
84.386A	Talent 21 Regular, Technical Education	10-RED1-G03	9/7/10 - 8/31/11	1,073,153.00	(497,762.92)		68,569.08	(68,569.08)				
84.386A	Talent 21 Regular, Technical Education	10-RED1-G03	9/7/10 - 8/31/11	1,073,153.00			134,573.00					
84.386A	Talent 21 Regular, Technical Education ARRA	10-RED1-G03	9/7/10 - 8/31/11	248,602.00	(134,573.00)							
	County of Essex:											
	Summer Youth Employment Training		7/1/09 - 6/30/10	17,250.00	(84.10)		84.10					
	Summer Youth Employment Training		7/1/10 - 6/30/11	2,000.00	(1,921.55)		1,921.55					
	Summer Youth Employment Training		7/1/11 - 6/30/12	11,915.90			11,915.90				6,412.43	
	Summer Youth Employment Training ARRA		7/1/10 - 6/30/11	6,432.07	6,432.07			(5,503.47)				
	Total Special Revenue Fund				(1,406,189.51)		3,270,953.54	(2,327,724.61)	(489.11)	(470,165.12)	6,412.43	293.00
	U.S. Department of Agriculture Passed-Through State Department of Education:											
	Enterprise Fund:											
10.550	Food Distribution Program		7/1/10 - 6/30/11	93,711.23	12,991.38		97,575.31	(12,991.38)				
10.550	Food Distribution Program		7/1/11 - 6/30/12	97,575.31			47,474.66	(95,466.62)			2,078.69	
10.555	National School Lunch Program		7/1/10 - 6/30/11	843,095.20	(47,474.66)		914,716.16	(62,736.20)				
10.555	National School Lunch Program		7/1/11 - 6/30/12	977,452.36			9,000.00	(977,452.36)				
10.556	Special Milk Program		7/1/10 - 6/30/11	57,871.81	(9.00)		5,691.02					
10.553	National School Breakfast Program		7/1/10 - 6/30/11	68,764.22	(5,691.02)		87,472.05	(95,386.35)				
10.553	National School Breakfast Program		7/1/11 - 6/30/12	95,386.35	(40,183.30)		1,181,326.71	(1,181,326.71)			2,078.69	
	Total Enterprise Fund						\$ 5,476,723.81	\$ (4,512,034.25)	\$ (489.11)	\$ (612,292.12)	\$ 8,491.12	\$ 293.00
	Total Federal Financial Assistance											

See accompanying notes to schedules of financial assistance.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2011		Cash Received	Budgetary Expenditures	Adjustments/Repayment Prior Years' Balances	(Accounts Receivable) June 30, 2012	Deferred Revenue June 30, 2012	Due to Grantor June 30, 2012	Memo	
				Deferred (Accounts Receivable)	Due to Grantor							Budgetary Resizable	Cumulative Total Expenditures
State Department of Education:													
General Fund:													
Equalization Aid	12-495-034-5120-078	7/01/11 - 6/30/12	\$ 21,116,395.00	\$ -	\$ -	\$ 21,116,395.00	\$ (21,116,395.00)	\$ -	\$ -	\$ -	\$ -	\$ 1,693,762.00	\$ 21,116,395.00
Compensatory Aid	12-100-034-5120-067	7/01/11 - 6/30/12	167,171.00	40,356.80	11,144.00	(2,647,333.00)	(2,647,333.00)	(40,356.80)	-	-	3,756.94	264,733.30	2,647,333.00
Special Education	12-495-034-5120-044	7/01/11 - 6/30/12	350,148.00	23,480.08	77,770.00	(650,148.00)	(650,148.00)	(23,480.08)	-	-	22,654.81	350,148.00	350,148.00
Nonpublic School Transportation	12-495-034-5120-022	7/01/11 - 6/30/12	75,864.00	-	-	(75,864.00)	(75,864.00)	-	-	-	33,553.20	75,864.00	75,864.00
On-Behalf TPAF Post-Retirement	12-495-034-5095-001	7/01/11 - 6/30/12	1,911,367.00	-	-	(1,911,367.00)	(1,911,367.00)	-	-	-	-	1,911,367.00	1,911,367.00
On-Behalf TPAF Contributions	12-495-034-5095-006	7/01/11 - 6/30/12	660,805.00	-	-	(660,805.00)	(660,805.00)	-	-	-	-	660,805.00	660,805.00
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	7/01/11 - 6/30/12	2,201,805.76	(108,726.37)	2,017,444.82	(2,125,057.08)	(2,125,057.08)	(107,512.26)	-	-	-	2,017,444.82	2,125,057.08
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	7/01/11 - 6/30/12	2,125,057.08	(108,726.37)	2,017,444.82	(2,125,057.08)	(2,125,057.08)	(107,512.26)	-	-	-	2,017,444.82	2,125,057.08
Total General Fund												2,684,507.30	2,684,507.30
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Auxiliary Services:													
Compensatory Education	12-100-034-5120-064	7/01/11 - 6/30/12	11,144.00	-	-	(7,367.08)	(7,367.08)	-	-	-	3,756.94	-	7,367.06
Compensatory Education	11-100-034-5120-067	7/01/10 - 6/30/11	167,171.00	40,356.80	11,144.00	(1,786.56)	(1,786.56)	(40,356.80)	-	-	22,654.81	-	56,115.39
Compensatory Education	12-100-034-5120-067	7/01/11 - 6/30/12	77,770.00	23,480.08	77,770.00	(55,115.38)	(55,115.38)	(23,480.08)	-	-	33,553.20	-	16,464.80
English as a Second Language	11-100-034-5120-067	7/01/10 - 6/30/11	42,691.00	-	-	(48,698.00)	(48,698.00)	-	-	-	-	-	-
English as a Second Language	12-100-034-5120-067	7/01/11 - 6/30/12	48,698.00	-	-	(50.00)	(50.00)	-	-	-	-	(2,100.76)	2,100.76
Home Instruction	11-100-034-5120-067	7/01/10 - 6/30/11	630.90	-	-	(21,332.00)	(21,332.00)	-	-	-	-	-	-
Home Instruction	12-100-034-5120-067	7/01/11 - 6/30/12	2,332.00	-	-	(21,332.00)	(21,332.00)	-	-	-	-	-	-
Home Instruction	12-100-034-5120-067	7/01/11 - 6/30/12	27,332.00	-	-	(21,332.00)	(21,332.00)	-	-	-	-	-	-
Handicapped Services:													
Supplemental Instruction	11-100-034-5120-066	7/01/10 - 6/30/11	6,253.00	1,736.56	1,736.56	(9,050.00)	(9,050.00)	-	-	-	6,127.45	-	9,050.00
Supplemental Instruction	12-100-034-5120-066	7/01/11 - 6/30/12	9,050.00	-	-	(13,671.55)	(13,671.55)	-	-	-	4,343.85	-	13,671.55
Supplemental Instruction	12-100-034-5120-066	7/01/11 - 6/30/12	19,799.00	5,846.08	5,846.08	(15,919.00)	(15,919.00)	-	-	-	4,399.00	-	11,520.00
Examination and Classification	11-100-034-5120-066	7/01/10 - 6/30/11	10,646.00	-	-	(11,520.00)	(11,520.00)	-	-	-	-	-	-
Examination and Classification	12-100-034-5120-066	7/01/11 - 6/30/12	15,919.00	-	-	(141,775.83)	(141,775.83)	-	-	-	7,815.15	-	141,775.83
Concise Speech	11-100-034-5120-066	7/01/10 - 6/30/11	15,919.00	-	-	(15,919.00)	(15,919.00)	-	-	-	-	-	-
Concise Speech	12-100-034-5120-066	7/01/11 - 6/30/12	15,919.00	-	-	(15,919.00)	(15,919.00)	-	-	-	-	-	-
Nursing Services	12-100-034-5120-070	7/01/11 - 6/30/12	199,870.23	189,870.23	199,870.23	(199,870.23)	(199,870.23)	-	-	-	-	-	-
Nursing Services	12-100-034-5120-070	7/01/11 - 6/30/12	199,870.23	189,870.23	199,870.23	(199,870.23)	(199,870.23)	-	-	-	-	-	-
Total Special Revenue Fund												2,100.76	2,100.76
Total State Financial Assistance												2,684,507.30	2,684,507.30
Capital Projects Fund:													
N.J. School Construction Corporation:													
Section 16 Grant	0280-025-09-1002	6/1/10 - Completion	199,870.23	(199,870.23)	(199,870.23)	199,870.23	(199,870.23)	-	-	-	-	-	-
Section 16 Grant	11-100-010-3360-067	7/01/10 - 6/30/11	23,531.02	(2,491.08)	(2,491.08)	2,491.08	(2,491.08)	-	-	-	-	-	-
Section 16 Grant	12-100-010-3360-067	7/01/11 - 6/30/12	25,285.85	(2,491.08)	(2,491.08)	25,285.85	(25,285.85)	-	-	-	-	-	-
Section 16 Grant	12-100-010-3360-067	7/01/11 - 6/30/12	25,285.85	(2,491.08)	(2,491.08)	25,285.85	(25,285.85)	-	-	-	-	-	-
Total Enterprise Fund												25,285.85	25,285.85
Total State Financial Assistance												2,684,507.30	2,684,507.30

See accompanying notes to schedules of financial assistance.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

JUNE 30, 2012

1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include federal and state award activity of the Board of Education, Belleville Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of basic financial statements.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$48,280.00 for the general fund and \$132,511.35 for the special revenue fund. See Note 2E 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 below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 1,002,982.97	\$ 29,128,629.08	\$30,131,612.05
Special Revenue Fund	2,457,571.33	144,440.26	2,602,011.59
Food Service Fund	<u>1,181,326.71</u>	<u>25,285.85</u>	<u>1,206,612.56</u>
	<u>\$ 4,641,881.01</u>	<u>\$ 29,298,355.19</u>	<u>\$33,940,236.20</u>

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions and Post-Retirement Medical Contributions represent the amount paid by the State On-Behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employers' share of social security contributions for TPAF members for the year ended June 30, 2012.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unqualified

Internal control over financial reporting:

1) Material weakness(es) identified?

_____ Yes √ No

2) Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes √ None Reported

Noncompliance material to basic financial statements noted?

_____ Yes √ No

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified?

_____ Yes √ No

2) Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes √ None Reported

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

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133?

_____ Yes √ No

Identification of major Programs:

CFDA Numbers

Name of Federal Program or Cluster

84.410A
84.010A
84.027A
10.555

Education Jobs Fund
Title I
IDEA Part B - Basic Regular
National School Lunch Program

Dollar threshold used to distinguish between Type A and Type B Programs:

\$300,000.00

Auditee qualified as low-risk auditee?

 √ Yes _____ No

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
FISCAL YEAR ENDED JUNE 30, 2012**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FEDERAL AWARDS PROGRAMS

There were no prior year audit findings for Federal Award Programs.

STATE AWARDS PROGRAMS

There were no prior year audit findings for State Award Programs.

