

**SCHOOL DISTRICT OF  
TABERNACLE TOWNSHIP**

TABERNACLE BOARD OF EDUCATION  
Tabernacle, New Jersey  
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**TABERNACLE, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Prepared by**

**Tabernacle Township Board of Education  
Finance Department**



## OUTLINE OF CAFR

	<b>PAGE</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	11

### REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	13
--------------------------------------	----

### BASIC FINANCIAL STATEMENTS

A. District-wide Financial Statements:	
A-1 Statement of Net Assets	21
A-2 Statement of Activities	22
B. Fund Financial Statements:	
B-1 Balance Sheet	24
B-2 Statement of Revenues, Expenditures & Changes in Fund Balances	25
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Proprietary Funds:	
B-4 Statement of Net Assets	27
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Assets	28
B-6 Statement of Cash Flows	29
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	30
B-8 Statement of Changes in Fiduciary Net Assets	31
Notes to Financial Statements	32

### REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	55
C-1a Combining Schedule of Revenues, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Education Jobs Fund Program – Budget & Actual	66
C-2 Budgetary Comparison Schedule – Special Revenue Fund	67

(continued)

**OUTLINE OF CAFR (continued):**

	<b>PAGE</b>
Notes to the Required Supplementary Information	
C-3 Budget-to-GAAP Reconciliation	68
<b>D. School Based Budget Schedules Fund –</b>	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
<b>E. Special Revenue Fund:</b>	
E-1 Combining Schedule of Revenues & Expenditures Special Revenue Fund – Budgetary Basis	69
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
<b>F. Capital Projects Fund:</b>	
F-1 Summary Schedule of Project Expenditures	72
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	73
F-2a Schedule of Revenues, Expenditures Project Balance & Project Status – Rehabilitation & Upgrade of Tabernacle Elementary	74
F-2b Schedule of Revenues, Expenditures Project Balance & Project Status – Rehabilitation & Upgrade of Kenneth R. Olsen Middle Schools	75
<b>G. Proprietary Funds:</b>	
Enterprise Fund:	
G-1 Combining Schedule of Net Assets	76
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Assets	77
G-3 Combining Schedule of Cash Flows	78
Internal Service Fund –	
G-4 Combining Schedule of Net Assets	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Assets	N/A
G-6 Combining Schedule of Cash Flows	N/A
<b>H. Fiduciary Funds:</b>	
H-1 Combining Statement of Fiduciary Net Assets	79
H-2 Combining Statement of Changes in Fiduciary Net Assets	80
H-3 Student Activity Agency Fund Schedule of Receipts & Disbursements	81
H-4 Payroll Agency Fund Schedule of Receipts & Disbursements	81
<b>I. Long-Term Debt:</b>	
I-1 Schedule of Serial Bonds	82
I-2 Schedule of Obligations Under Capital Leases	83
I-3 Debt Service Fund Budgetary Comparison Statement	84

(continued)

## OUTLINE OF CAFR (continued):

### STATISTICAL SECTION (unaudited)

	PAGE
Financial Trends:	
J-1 Net Assets by Component	85
J-2 Changes in Net Assets	86
J-3 Fund Balances – Governmental Funds	89
J-4 Changes in Fund Balances – Governmental Funds	90
J-5 General Fund Other Local Revenue by Source	92
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	93
J-7 Direct & Overlapping Property Tax Rates	94
J-8 Principal Property Taxpayers	95
J-9 Property Tax Levies & Collections	96
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	96
J-11 Ratios of General Bonded Debt Outstanding	97
J-12 Direct & Overlapping Governmental Activities Debt	97
J-13 Legal Debt Margin Information	98
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	99
J-15 Principal Employers	99
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	100
J-17 Operating Statistics	101
J-18 School Building Information	102
J-19 Schedule of Required Maintenance Expenditures by School Facility	103
J-20 Insurance Schedule	104

### K SINGLE AUDIT SECTION

K-1 Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	105
K-2 Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04	107
K-3 Schedule of Expenditures of Federal Awards, Schedule A	109
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	110
K-5 Notes to Schedules of Awards and Financial Assistance	111
K-6 Schedule of Findings and Questioned Costs	113
K-7 Summary Schedule of Prior Audit Findings	122

(concluded)



**INTRODUCTORY SECTION**





# Tabernacle Township Schools

132 New Road, Tabernacle, NJ 08088

Mr. George Rafferty  
Superintendent of Schools

Ms. Carol Mascioli  
Interim School Business Administrator

October 2, 2012

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

Dear Board of Education Members:

The Comprehensive Annual Financial Report of the Tabernacle Township 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 (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information. 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 Non-Profit Organizations", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, findings and recommendations, is included in the single audit section of this report.

- 1.) **REPORTING ENTITY AND ITS SERVICES:** Tabernacle Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement-14. All funds and account groups of the District are included in this report. The Tabernacle Township Board of Education and its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels preschool disabilities through eight. These include regular education as well as special education for disabled children. The District's enrollment is 828. The following details the changes in the student enrollment of the District over the last eight years:

**AVERAGE DAILY ENROLLMENT**

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2002/2003	960.2
2003/2004	953.7
2004/2005	969.3
2005/2006	938.9
2006/2007	886.0
2007/2008	880.0
2008/2009	896.0
2009/2010	873.0
2010/2011	870.0
2011/2012	828.0

The District is a constituent member of the Lenape Regional High School District. The District's students in grades 9-12 attend Seneca High School located in Tabernacle Township.

2.) **ECONOMIC CONDITION AND OUTLOOK:** Tabernacle Township is a rural, residential community located in the southwestern portion of Burlington County. The Township is approximately 49.55 square miles and approximately twenty-six miles from Philadelphia. Wharton Tract covers 28.5% of the township's 30,489 acres. Tabernacle Township is located within the Pinelands Preservation area with development highly regulated. The population for 2011 was 6,992 compared to 6,949 in 2010. The population density in 2000 was 144.7 persons per square mile. The percent of tax levy collected for 2012 was 100.00%. The unemployment rate for 2011 was 5.00%.

3.) **MAJOR INITIATIVES:**

**Assessments:** Students in grades one and two were evaluated with the TerraNova Multiple Assessments. This was the Tabernacle District's ninth year using this assessment tool. Performance per subject area was above the average national performance for both of these grade levels. Students in grades three and four were assessed using the New Jersey Assessment of Skills and Knowledge (NJASK3 and NJASK4). Students in fourth grade were assessed in language arts, mathematics, and science. Students in grades five through seven were assessed with the state assessment NJASK5-7 in the areas of language arts and mathematics. Students in grade eight were assessed in language arts, mathematics, and science using the state developed NJASK8 (formerly GEPA). The target proficiency has remained the same for the state assessments this year. District results are as follows:

<b>SCHOOLS</b>	<b>Target Proficiency 2011-2012</b>	<b>District Performance 2011-2012</b>	<b>Met Performance Goal</b>
<b>Tabernacle Elementary</b>			
Grades 3 & 4 – school wide results			
Language Arts	76.1%	63.6%	NO
Math	87.6%	87.7%	YES

**Kenneth R. Olson**  
**Middle School**

	<b>Target Proficiency 2011-2012</b>	<b>District Performance 2011-2012</b>	<b>Met Performance Goal</b>
Grades 5, 6, 7, 8 school wide results			
Language Arts	74.5%	75.3%	YES
Math	82.6%	81.7%	YES
			(Safe Harbor)

The data used includes the Target Proficiency established by the New Jersey Department of Education.

**Language Arts:** The District writing program continues to include KidWriting in kindergarten and the Great Source Language Program in grades one through eight. Additional writing resources offering ideas for mini lessons have been purchased for teachers. Writing activities are correlated with the reading/literature program of each grade level. The Writers' Workshop model of instruction has been implemented district-wide in a effort to raise student achievement in Language Arts Literacy.

**Mathematics:** The EnVision Math program is in use in kindergarten through fifth grade . The EnVision Math program targets student understanding and meets the individual needs of students through balanced and accurately paced lesson, printed materials, manipulatives, and technology integration.

The Progressive Mathematics Initiative (PMI) is used for math instruction in grades six and seven. Select groups in grade seven and eight continue to use the algebra texts and syllabi from the Lenape Regional High School district. All other eighth grade students are instructed through the PMI.

**Science:** The elementary school continues to use the McGraw Hill Science program. Grade one uses the big book format, grades two and three the single text format, and grade four the modular format. All topics were aligned with the recently revised New Jersey Core Curriculum Content Standards (NJCCCS) for science. The middle school science department is in its seventh year with Holt Science & Technology. The program is modular and allows for flexibility of instructional topics within the middle school grade levels. It also has an extensive technology resource component for students and instructors. Middle school science instructors also have one of the technology labs organized with Virtua Investigations. The program now includes virtual experiments and student online access to the textbook.

**Social Studies:** Grades three, four, five, six, seven and eight are currently using the History Alive program. Call to Freedom is used as a supplemental resource by the eighth grade. In addition, current events is incorporated to provide timely and appropriate topics for classroom discussion. Grades K-2 teach social studies through thematic units of study.

**Technology:** The Tabernacle School District is running a windows environment, running windows XP Professional or higher, and all computers are operating Office Professional 2007. Tabernacle's technology network consists of copper internal and external cabling with switches that transport data at a speed of a full GB to the desktop per second. A fiber line allows for large bandwidth transport for Internet upload/download as well as a fast connection to be maintained between the schools.

Every staff member and student has their own folder space on the district network and every staff member has an email address as well as a secure remote desktop connection. The District also has a full wireless network in place. The Tabernacle School District has established a stronger usage with its point-to-point connection between the buildings sharing data, voice and video over a secure fiber line.

The academic software enriches the program content within the Tabernacle School District. All grade levels utilize the Education Technology Curriculum K-8 to maintain a clear focus for the integration of technology in all subject content. The State of New Jersey has enforced a new assessment on Computer Literacy where students in grades 4 and 8 are assessed. All students have technology portfolios. It is a district goal for all teachers to utilize technology regularly to ensure success on this assessment.

Software for kindergarten through grade one instruction emphasized grade level content knowledge in language arts, mathematics, and science. Kindergarten through eighth grade use programs from Houghton Mifflin and Tom Snyder to increase instruction. Some of the programs utilized are Toony the Toons in the Lagoon and Reading Blaster ages 4-6 to enhance the younger curriculum. First grade uses the Kidworks Deluxe software while Grade 2 uses the FutureKids program, which is a program of thematic lesson plans using specific software (The Cruncher, Storybook Weaver Deluxe, Tabletop Jr., Print Artist, and KidPix Studio). Grade 2 also uses Neighborhood Map Machine as a social studies enhancement. Keyboard instruction begins in grade 3 and continues in grade 4 using the software package Mavis Beacon. Third grade students infuse their word processing skills with a project involving the desktop publishing software Publisher 2007. Fourth grade students continue reviewing their keyboarding and word processing skills and are introduced to databases and spreadsheets. The infusion project for students involves the programs PowerPoint (grades 4/5) and Kidspiration (grade 6). Fifth grade reemphasizes keyboarding skills at the beginning of the school year and fifth through eighth grade instructors infuse technology instruction into grade level content areas. Each instructor develops an integrated technology project combining the aspects of particular software (PowerPoint-grades 4/5 and Inspiration, grade 6) and/or utilizing the capabilities of the internet (grades 7/8). At all times, instructors in grades 5 through 8 reinforce the correct keyboarding skills learned in grades 3 and 4.

An Information Technology-Media Science course is provided in grades 5-8 and emphasizes higher level thinking skills in the areas of technology, mathematics, and science. All students use Microsoft Software and Microsoft Paint. Students use Mavis Beacon and Kidpix in 5<sup>th</sup> grade; Mavis Beacon and Flight Simulator are used in 6<sup>th</sup> grade; Mavis Beacon and Premier AT programs are used in 7<sup>th</sup> grade; and Windows Movie Maker/Movie Plus 5 are used in 8<sup>th</sup> grade. The media center specialist provides each social studies class instruction in utilizing reference/research skills as well as on-line database/reference technology.

**Reading/Literature:** Kindergarten through eighth grade continues to implement change from basal texts to novels as the primary source of instructional materials. Teacher resources involving literature circles and incorporating novels into the classroom were also continued in the middle school. The Personal Choice Reading (PCR) model of instruction has been introduced and will continue to be implemented.

**Report Cards:** The middle school completes its report cards electronically through the District's technology resources. There were no revisions to any elementary level report cards.

**Staff Development:** Staff development continues to be a District priority. Topics for presentations were based on curriculum changes, school objectives, and the District's local professional development plan. Tabernacle staff has professional development opportunities through in-service programs, Lenape Regional Consortium programs, Burlington County Curriculum Consortium programs, after-school courses, off-site professional workshops/conferences, in-house training sessions, and tuition reimbursement for college level graduate courses.

**World Language:** Each school in the District has its own world language instructor. Each teacher has purchased a variety of resources based on the grade level they instruct. Middle school students use Hola! (National Textbook Company), Elementary Spanish Program (Northern Arizona University), and select

eighth grade students participate in the full year program using the text used by first year Spanish students in Seneca High School (Ven conmigo!, Holt, Rinehart & Winston). Other elementary level materials available are SALSA (NJ Department of Education) and the Spanish Alphabet Books (Zaner-Bloser Publishing Company).

**Special Educational Services:** The District strives to provide the least restrictive environment for its students. Approximately three quarters of the special needs students are in general education classrooms and receive their special education services through in-class support of the regular teacher assisted by a special education teacher. During the 2001/2002 school year the State of New Jersey Department of Education reviewed and approved the District's special education improvement plan. The District continues to meet with its Special Education Advisory Committee to review and improve services. This Committee also arranges speakers on various special educational topics for parent information sessions.

**District Information:** Tabernacle students grades kindergarten through fourth, including a preschool disabilities class, are housed in the Tabernacle Elementary School. Students in grades fifth through eighth are housed in the Kenneth R. Olson Middle School. As of July 1, 2000 the District's third school, the Tabernacle Intermediate School, was leased to the Lenape Regional High School District for use as a transition high school. After extensive renovations to the school were completed by the Lenape District, the building opened to high school students for the 2001/2002 school year. At that time the building was dedicated as Sequoia Transition High School.

The District was successfully monitored during January 2001 by the State of New Jersey Department of Education under N.J.S.A. 18A:7A-1 et seq. and N.J.A.C. 6A:30 et seq. This resulted in certification for a period of seven years. This monitoring process included a review of data, interviews of staff, inspection of facilities, and visits to the District's schools.

The District's Long-Range Facilities Plan was revised and approved by the Board of Education at its October 10, 2005 meeting. This plan is a requirement of the Educational Facilities Construction and Financing Act, P.L. 2000, c.72, N.J.A.C. 6A:26-1.1 and the Facilities Efficiency Standards. The Plan covers years October 2005 to October 2010.

On March 9, 2004 the District held a bond referendum in the amount of \$11,673,195 for the replacement of the middle school roof and various upgrades to the major systems of the middle school and elementary school. The referendum was defeated. The Board of Education held another referendum on September 28, 2004 in the amount of \$9,743,980.00, which did receive voter approval. A second question on the ballot was defeated with a tie vote. The projects began during the Spring of 2005 with major work scheduled for the Summer of 2006 and 2007. Upgrades to the district's waste water treatment plant are began during the 2008/2009 school year.

During October 2003 closing took place for the refinancing of the balance of the District's 1996 bond issue. The savings to the District is approximately \$251,948 and the average interest rate of the bonds went from 5.475% to 3.894%. The retirement date of the bonds is the 2020/2021 school year. On February 2005 bonds were again issued in the amount of \$5,673,000 with a net interest rate of 3.9713%. The retirement date of this debt is the 2024/2025 school year.

- 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 central structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

- 5.) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to insure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. 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 reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at 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 statement and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

- 8.) **DEBT ADMINISTRATION:** At June 30, 2012, the District's outstanding debt issues included \$7,658,000 of general obligation bonds.

- 9.) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision 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. The District also deposits funds in the New Jersey Cash Management Fund, which is backed by the State of New Jersey.

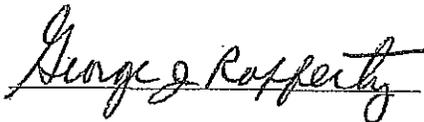
10.) **RISK MANAGEMENT:** The Board carried various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District is a member of the Burlington County Insurance Pool Joint Insurance Fund of which twenty-four school Districts from Burlington, Gloucester, Camden and Mercer counties participate.

11.) **OTHER INFORMATION:**

A.) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. In May 2011, the Board of Education appointed the firm of Holman & Frenia, P.C. as the District's auditors. 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 basic 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:** The success of this Comprehensive Annual Financial Report of the Tabernacle School District would not exist without the continued support of the administration, staff, parents and the community, but most certainly the efforts of the Tabernacle Board of Education to continually provide fiscal accountability to the citizens and taxpayers of the School District. The Board of Education is to be commended for their support and for setting high standards for the School District. The Board's dedication and determination to providing quality education to the students of the Township of Tabernacle for a lifetime has been outstanding. We sincerely express our appreciation for their efforts for the development and maintenance of the District's educational and financial operations. It also must be noted that the preparation of this report could not have been accomplished without the efforts, dedication, and professionalism of our District administration and their staff, and especially, the staff of the Business Office. Their continuing efforts year after year that demonstrate their dedication and commitment to the pursuit of excellence are outstanding. Therefore, their work is acknowledged and greatly appreciated.

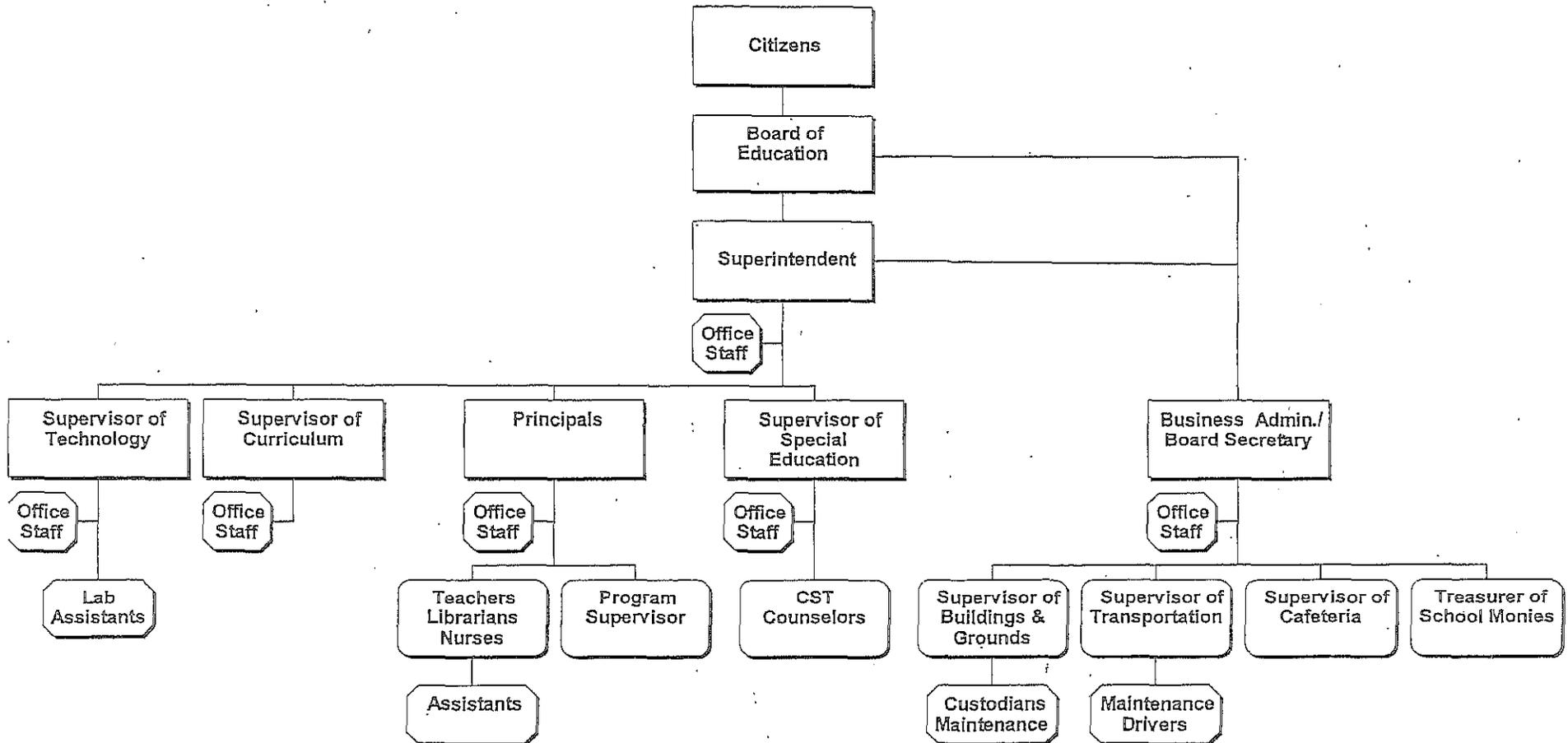
Respectfully submitted,



Superintendent of Schools



# TABERNACLE TOWNSHIP SCHOOL DISTRICT Organizational Chart





**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
132 New Road  
Tabernacle, New Jersey 08088

**ROSTER OF OFFICIALS**  
**JUNE 30, 2012**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
Douglas S. Hess - President	2014
Michael J. Lee - Vice President	2012
John Bulina	2013
Laura Clapps	2013
Tina Marie Coolidge	2014
Stephen M. Pickholtz	2013
Stephen T. Price	2014
Julia T. Stewart	2012
Jamie R. Wood	2012

**OTHER OFFICIALS**

George Rafferty – Superintendent

Chad Fires – Business Administrator/Board Secretary – 7/1/10 – Present

Judy Jackson – Treasurer of School Monies

Stephen J. Mushinski, Esq. - Solicitor

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
132 New Road  
Tabernacle, New Jersey 08088

**CONSULTANTS AND ADVISORS**

**ARCHITECT**

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

**AUDIT FIRM**

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

**ATTORNEY**

Parker, McCay and Criscuolo  
Stephen J. Mushinski  
Three Greentree Road  
P.O. Box 974  
Marlton, New Jersey 08053

**LABOR CONSULTANTS**

Taylor, Whalen and Hybbenenth  
Bruce Taylor  
P.O. Box 622  
Howell, New Jersey 07731

**OFFICIAL DEPOSITORY**

TD Bank  
195 Tuckerton Road  
Medford, New Jersey 08055

**FINANCIAL SECTION**





Certified Public Accountants & Consultants

Administrative Office:  
10 Allen Street, Ste. 2B, Toms River, NJ 08753 • Tel: 732.797.1333  
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612  
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090  
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090  
holmanfrenia.com

**INDEPENDENT AUDITOR’S REPORT**

Honorable President and Members  
of the Board of Education  
Tabernacle Township  
County of Burlington  
Tabernacle, New Jersey 08088

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Tabernacle Township School District, County of Burlington, State of New Jersey, as of and for the year ended June 30, 2012, which collectively comprise the District’s financial statements as listed in the table of contents. These financial statements are the responsibility of the Board’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; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 Board of Education of the Tabernacle Township School District, County of Burlington, 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 our report dated October 2, 2012, on our consideration of the Tabernacle Township Board of Education’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

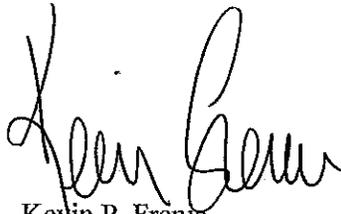
Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 13 through 20 and 55 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate

operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tabernacle Township Board of Education's 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 information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of state and federal financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of state and federal financial assistance 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 information 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.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



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

Medford, New Jersey  
October 2, 2012

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis



**TABERNACLE TOWNSHIP SCHOOL DISTRICT**  
**TABERNACLE, NEW JERSEY**

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**UNAUDITED**

The discussion and analysis of the Tabernacle Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34-*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2011/2012) and the prior year (2010/2011) is required to be presented in MD&A.

**Financial Highlights**

Key financial highlights for 2011/2012 are as follows:

- The District's final State aid payment for 2010/2011 was received in July of 2011. The District's final State aid payment for 2011/2012 will also be received during July of the next fiscal year in the amount of \$538,950.
- The referendum passed on September 28, 2004, in the amount of \$9,743,980, was for the purpose of various facility upgrades and needs for both schools. The second phase of the project began and was completed during the summer of 2006. The first phase included site work and tile replacement in both schools, and window replacement in the middle school. The second phase included renovation of the middle school's HVAC system, partial renovation of the HVAC system in the elementary school, and roof replacement at the middle school. The third phase which was completed during the summer of 2007 included technology upgrades, classroom lighting in the elementary school and gym lighting in the middle school.
- Net Assets for Governmental Activities and for Business-Type Activities were \$8,826,670 and \$69,119, respectively.
- Net Assets increased by \$468,920 from July 1, 2011 to June 30, 2012 for Governmental Activities decreased by \$1,077 for Business-Type Activities.

**Using This Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Tabernacle Township School District as a financial whole; an entire operating entity. The statements then proceed to provide an increasingly detailed look at the financial activities of each fund. In addition, this report also contains other supplementary and statistical information.

## REPORTING THE SCHOOL DISTRICT AS A WHOLE (Government-Wide Financial Statements)

### Statement of Net Assets and the Statement of Activities

*The Statement of Net Assets and Statement of Activities* provides information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental activities and business-type activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's individual funds with all funds presented. In the case of the Tabernacle Township School District, the General Fund is by far the most significant fund. The governmental activities are mainly supported by taxes and intergovernmental revenues, while the business-type activities are intended to recover all or a significant portion of their costs through user fees and charges.

While this document contains all of the funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2011/2012 school year?" The Statement of Net Assets and the Statement of Activities answers this question. The Statement of Net Assets includes all assets and liabilities, while the Statement of Activities shows the cost of program services and the charges for those services and the grants offsetting those services. They use the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the timing of the related cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

***Governmental Activities*** --These activities report on the School District's programs and services including instruction, support services, operation and maintenance of plant facilities, pupil transportation, extracurricular activities, grant programs, and capital outlay. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and the Debt Service Fund.

***Business Type Activities*** --These activities provide for a charge for goods or services to recover the expenses of the goods and services provided. The Food Service operations and Community Interest programs are reported here.

## REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

### Fund Financial Statements

Fund financial reports provide detailed information about the School District's activities that are segregated for specific activities or objectives. The School District uses many funds to account for a multitude of financial transactions. These funds are divided into three categories: Governmental, Proprietary and Fiduciary Funds.

## **Governmental Funds**

The School District maintains four individual governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements. The School District adopts an annual appropriated budget for its general, special revenue and debt service funds. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found in Exhibits B-1 through B-3 of this report.

## **Proprietary Funds**

The School District maintains one proprietary fund, which consists of two enterprise funds that reports on the food service operations and the community interest programs. This fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The basic proprietary fund financial statements can be found in Exhibits B-4 through B-6 of this report.

## **Fiduciary Funds**

The School District's fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's activities. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found in Exhibits B-7 through B-8 of this report.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 to 54 of this report.

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents statistical and single audit information and schedules relative to the School District and/or its serving community.

## **THE SCHOOL DISTRICT AS A WHOLE**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

Table 1 provides a summary of the School District's net assets for fiscal year 2012 with a comparison to 2011.

**Table 1 - Net Assets**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	JUNE 30, 2012	JUNE 30, 2011
Cash & Cash Equivalents	\$1,906,066	42,704	1,948,770	1,244,321
Receivables:				
Other Governments	335,432	3,192	338,624	467,711
Inventories		8,187	8,187	6,871
Interfund Receivable	49,809	18,178	67,987	14,425
Restricted Cash & Cash Equivalents	101,786		101,786	1,786
Deferred Bond Issue Costs	140,131		140,131	154,887
Unamortized Loss on Bond Refunding	216,052		216,052	240,057
Capital Assets, Net (Note 4)	14,628,214	29,904	14,658,118	15,586,255
<b>Total Assets</b>	<b>17,377,490</b>	<b>102,165</b>	<b>17,479,655</b>	<b>17,730,159</b>
<b>LIABILITIES</b>				
Accounts Payable	2,283	30,720	33,003	207,112
Interest Payable	99,161		99,161	106,157
Interfund Payable	18,178	791	18,969	14,425
Deferred Revenue	27,801	1,535	29,336	20,893
Noncurrent Liabilities (Note 5):				
Due Within One Year	667,097		667,097	628,006
Due Beyond One Year	7,736,300		7,736,300	8,327,774
<b>Total Liabilities</b>	<b>8,550,820</b>	<b>33,046</b>	<b>8,583,866</b>	<b>9,304,367</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	6,846,584	29,904	6,876,488	7,252,242
Restricted For:				
Debt Service	(111,374)		(111,374)	(118,370)
Capital Projects	449,559		449,559	458,443
Other Purposes	1,641,934		1,641,934	950,417
Unrestricted	(33)	39,215	39,182	(116,940)
<b>Total Net Assets</b>	<b>\$8,826,670</b>	<b>69,119</b>	<b>8,971,412</b>	<b>8,425,792</b>

As noted earlier, the District's net assets may serve over time as a useful indicator of a government's financial position. The largest portion of the District's net assets (90 percent) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide the educational programs, consequently, these assets are not available for future spending. Although the District's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets represents resources that are subject to external restrictions on how they may be used.

Table 2 shows changes in net assets for fiscal year 2012 with a comparison to 2011.

**Table 2 - Changes in Net Assets**

	Governmental Activities	Business-Type Activities	Total June 30, 2012	Total June 30, 2011
<b>Revenues:</b>				
Program Revenues:				
Charges for Services		181,649	181,649	213,075
Operating Grants & Contributions	\$ 395,306	77,606	472,912	614,202
General Revenues:				
Property Taxes Levied for Debt Service	787,102		787,102	798,527
Property Taxes Levied for General Purposes	6,439,785		6,439,785	6,460,884
State Aid Grants Not Restricted	6,663,788		6,663,788	6,127,140
Other Revenues	415,504	478	415,982	244,545
Total Revenues	14,701,485	259,733	14,961,218	13,762,097
<b>Expenses:</b>				
Instruction Services	7,008,133		7,008,133	6,886,740
Support Services	5,885,118		5,885,118	5,743,196
Interest on Long-Term Debt	333,628		333,628	365,898
Other Expenses	1,005,686		1,005,686	920,138
Food Service Operations		258,656	258,656	254,928
Community Interest Program Operations				21,846
Total Expenses	14,232,565	258,656	14,465,598	14,192,746
Increase in Net Assets Before Transfers				
Change in Net Assets	468,920	1,077	469,997	265,627
Net Assets, July 1.	8,357,750	68,042	8,425,792	8,160,165
Net Assets, June 30	8,826,670	69,119	8,895,789	8,425,792

### Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirement to annually seek voter approval for the School District operations. The District's total governmental activities revenues were \$14,306,179 for the year ended June 30, 2012.

### Business-Type Activities

Revenues for the District's business-type activities (food service program and community interest programs) were comprised of charges for services and federal and state reimbursements.

Business-type revenues did exceed expenses by \$1,077.

Charges for services are amounts paid by patrons for daily food service operations and the community interest programs.

Federal and state operating grant revenues are for the reimbursement for meals, including payments for free and reduced priced lunches and donated commodities.

### The School District's Funds

Governmental funds (i.e. general fund, special revenue fund, capital projects fund, and debt service fund) presented in the fund-based statements are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$14,701,485 and expenditures were \$13,842,117.

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. Table 3 presents a summary of the revenues of the governmental funds (excluding Capital Projects) for the fiscal year ended June 30, 2012, and the amount and percentage of increases and decreases in relation to prior year revenues.

**Table 3 - Revenues of the Governmental Funds**

	Amount	Percent of Total	Increase/(Decrease) from 2011	Percent of Increase/(Decrease)
<b>Revenues:</b>				
Local Sources	\$ 7,642,391	52.12%	\$ 135,448	1.81%
State Sources	6,581,391	44.77%	339,190	5.43%
Federal Sources	457,374	3.11%	55,740	13.88%
<b>Total</b>	<u>\$14,701,485</u>	<u>100.00%</u>	<u>533,994</u>	
	(1)	(2)	(3)	

(1) From B-2

(2) Function of each item over total

(3) Function of each item over the previous year.

The increase in local revenue was due to a tax increase to fund the additional expenditures of the School District associated with an increase in higher operating costs and a decrease in the amount of Federal funding.

Table 4 represents a summary of the combined general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2012, and the percentage of increases and decreases in relation to prior year amounts.

**Table 4 - Expenditures of the Governmental Funds**

	Amount	Percent of Total	Increase/(Decrease) from 2011	Percent of Increase/(Decrease)
<b>Expenditures</b>				
<i>Current Expense</i>				
Instruction	\$ 5,415,702	39.12%	(\$62,619)	(1.14%)
Undistributed	7,449,932	53.83%	248,363	3.45%
<i>Capital Outlay</i>	78,011	.56%	24,019	44.49%
<i>Debt Service</i>				
Principal	580,000	4.19%	5,000	.87%
Interest	318,472	2.30%	(20,115)	(5.94%)
<b>Total</b>	<u>\$13,842,117</u>	<u>100.00%</u>	<u>\$147,673</u>	

Changes in expenditures were the results of varying factors. Current expense decreased due to various cost control measures taken by the District.

### GENERAL FUND BUDGETING HIGHLIGHTS

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

Over the course of the year, the District revised the annual operating budget to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these significant revisions include expenditures for Instruction, Special Education, Basic Skill/Remedial Instruction, Tuition, Support Services, School Administration, Student Transportation Services, and the Operation and Maintenance of Plant Facilities. The detail of individual program budget revisions is reflected in Exhibit C-1 of the CAFR.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instruction staff include the activities involved with assisting staff with the content and process of teaching students, including curriculum and staff development.

General administration, school administration, and central operations include expenses associated with administrative and financial supervision of the District.

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

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

### CAPITAL ASSETS

At the end of the fiscal year 2012, the School District had \$14,628,214 invested in land, buildings, furniture, equipment, and vehicles. Table 6 shows fiscal year 2012 balances compared to 2011.

**Table 6 - Capital Assets (Net of Depreciation) at June 30**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land & Improvements	\$ 112,801	\$ 112,801			\$112,801	\$112,801
Building	22,423,212	22,423,212			22,423,212	22,423,212
Machinery & Equipment	2,699,181	3,215,332	\$87,900	\$55,377	2,787,081	3,270,709
Subtotal	25,235,194	25,751,345	87,900	55,377	25,323,094	25,806,722
Accumulated Depreciation	(10,606,980)	(10,165,090)	(57,996)	(55,377)	(10,664,976)	(10,220,467)
Total	\$14,628,214	\$15,586,255			\$14,658,118	\$15,586,255

Land is not depreciated.

Overall capital assets decreased by a net of \$958,041 from fiscal year 2011 to fiscal year 2012. For more detailed information, refer to the Note 5 of the Notes to the Financial Statements.

### DEBT ADMINISTRATION

In the governmental funds, at June 30, 2012, the School District had \$8,403,397 of outstanding debt. Of this amount \$621,765 is for compensated absences; \$123,630 for various capital leases and \$7,658,000 is from serial bonds outstanding from the 2004 and 2006 bond issues.

There was no debt outstanding in the business-type activities funds.

The District's credit rating as determined by Moody's continues to be AAA for general obligation debt.

Additional information on the District's long-term debt can be found in note 7 in the notes to the basic financial statements.

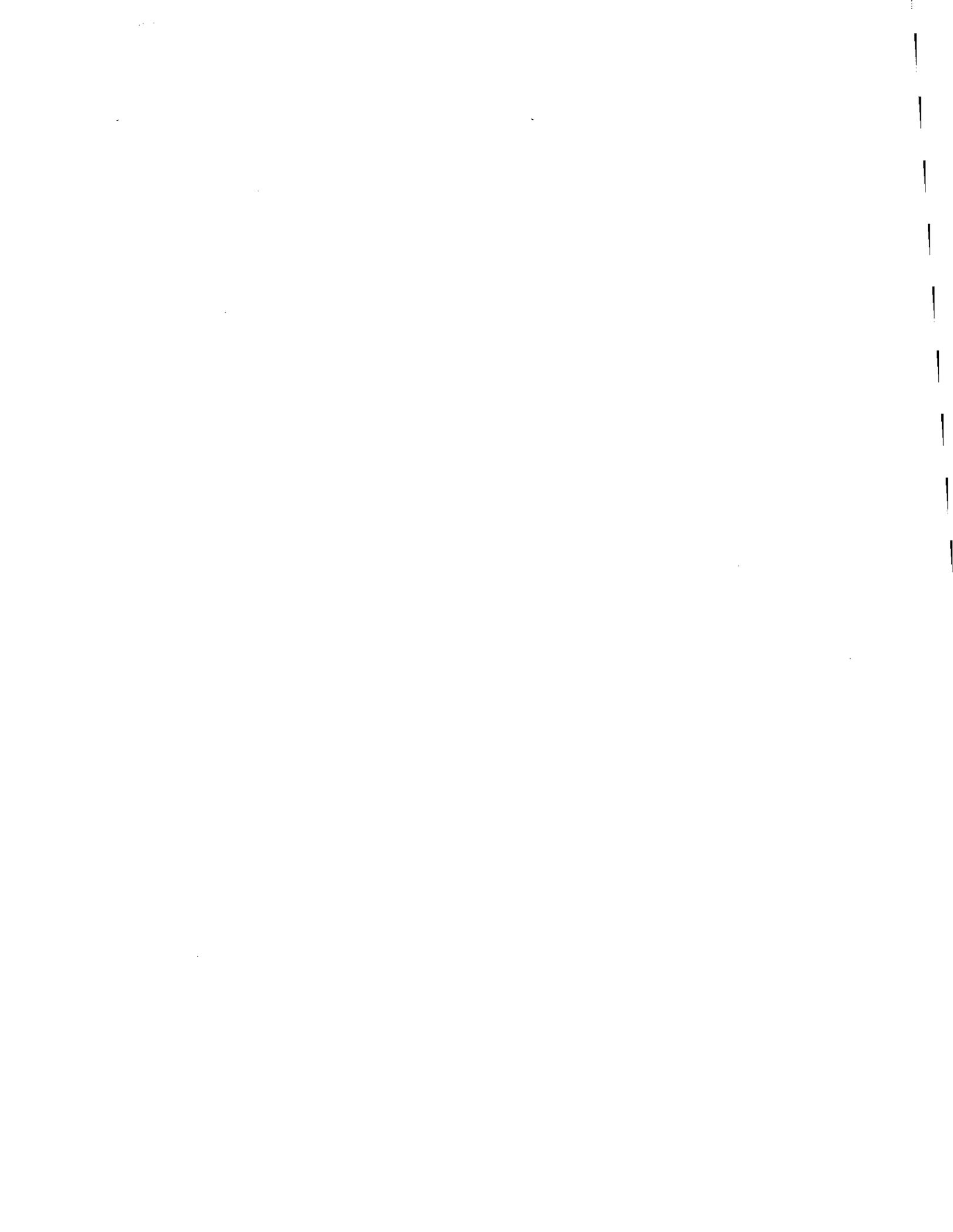
#### **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. Questions regarding this report or if additional information is needed, kindly contact Carol Mascioli, School Business Administrator/Board Secretary, at the Tabernacle Township School District, 132 New Road, Tabernacle, NJ 08088-8574.

**BASIC FINANCIAL STATEMENTS**



## A. District-Wide Financial Statements



**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2012	JUNE 30, 2011
				(MEMORANDUM ONLY)
Cash & Cash Equivalents	\$1,906,066	42,704	1,948,770	1,244,321
Receivables:				
Other Governments	335,432	3,192	338,624	467,711
Other Receivables, net				13,846
Inventories		8,187	8,187	6,871
Interfund Receivable	49,809	18,178	67,987	14,425
Restricted Cash & Cash Equivalents	101,786		101,786	1,786
Deferred Bond Issue Costs	140,131		140,131	154,887
Unamortized Loss on Bond Refunding	216,052		216,052	240,057
Capital Assets, Net (Note 5)	14,628,214	29,904	14,658,118	15,586,255
<b>Total Assets</b>	<b>17,377,490</b>	<b>102,165</b>	<b>17,479,655</b>	<b>17,730,159</b>
<b>LIABILITIES</b>				
Accounts Payable	2,283	30,720	33,003	207,112
Interest Payable	99,161		99,161	106,157
Interfund Payable	18,178	791	18,969	14,425
Deferred Revenue	27,801	1,535	29,336	20,893
Noncurrent Liabilities (Note 7):				
Due Within One Year	667,097		667,097	628,006
Due Beyond One Year	7,736,300		7,736,300	8,327,774
<b>Total Liabilities</b>	<b>8,550,820</b>	<b>33,046</b>	<b>8,583,866</b>	<b>9,304,367</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	6,846,584	29,904	6,876,488	7,252,242
Restricted For:				
Debt Service	(111,374)		(111,374)	(118,370)
Capital Projects	449,559		449,559	458,443
Other Purposes	1,641,934		1,641,934	950,417
Unrestricted	(33)	39,215	39,182	(116,940)
<b>Total Net Assets</b>	<b>\$8,826,670</b>	<b>69,119</b>	<b>8,895,789</b>	<b>8,425,792</b>

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2012	JUNE 30, 2011
Governmental Activities:							
Instruction:							
Regular Instruction	\$4,943,421		151,933	(4,791,488)		(4,791,488)	(4,450,194)
Special Education Instruction	1,530,608			(1,530,608)		(1,530,608)	(1,506,929)
Other Special Instruction	409,818			(409,818)		(409,818)	(445,891)
Other Instruction	120,367			(120,367)		(120,367)	(127,374)
Adult/Continuing Education Programs	3,920			(3,920)		(3,920)	(9,131)
Support Services & Undistributed Costs:							
Tuition	19,508			(19,508)		(19,508)	(44,072)
Student & Instruction Related Services	2,169,711		132,003	(2,037,708)		(2,037,708)	(2,039,450)
General & Business Administrative Services	341,410			(341,410)		(341,410)	(353,877)
Central Services	331,954			(331,954)		(331,954)	(367,201)
School Administrative Services	747,647			(747,647)		(747,647)	(715,648)
Plant Operations & Maintenance	1,342,494			(1,342,494)		(1,342,494)	(1,396,902)
Pupil Transportation	932,392			(932,392)		(932,392)	(747,688)
Interest on Long-Term Debt	333,628		111,370	(222,258)		(222,258)	(250,837)
Unallocated Amortization	38,761			(38,761)		(38,761)	(38,762)
Unallocated Depreciation	570,090			(570,090)		(570,090)	(635,000)
Capital Asset Adjustment Due to Appraisal	396,835			(396,835)		(396,835)	
Increase in Compensated Absences							(246,376)
<b>Total Governmental Activities</b>	<b>14,232,565</b>	<b>-</b>	<b>395,306</b>	<b>(13,837,259)</b>		<b>(13,837,259)</b>	<b>(13,375,332)</b>

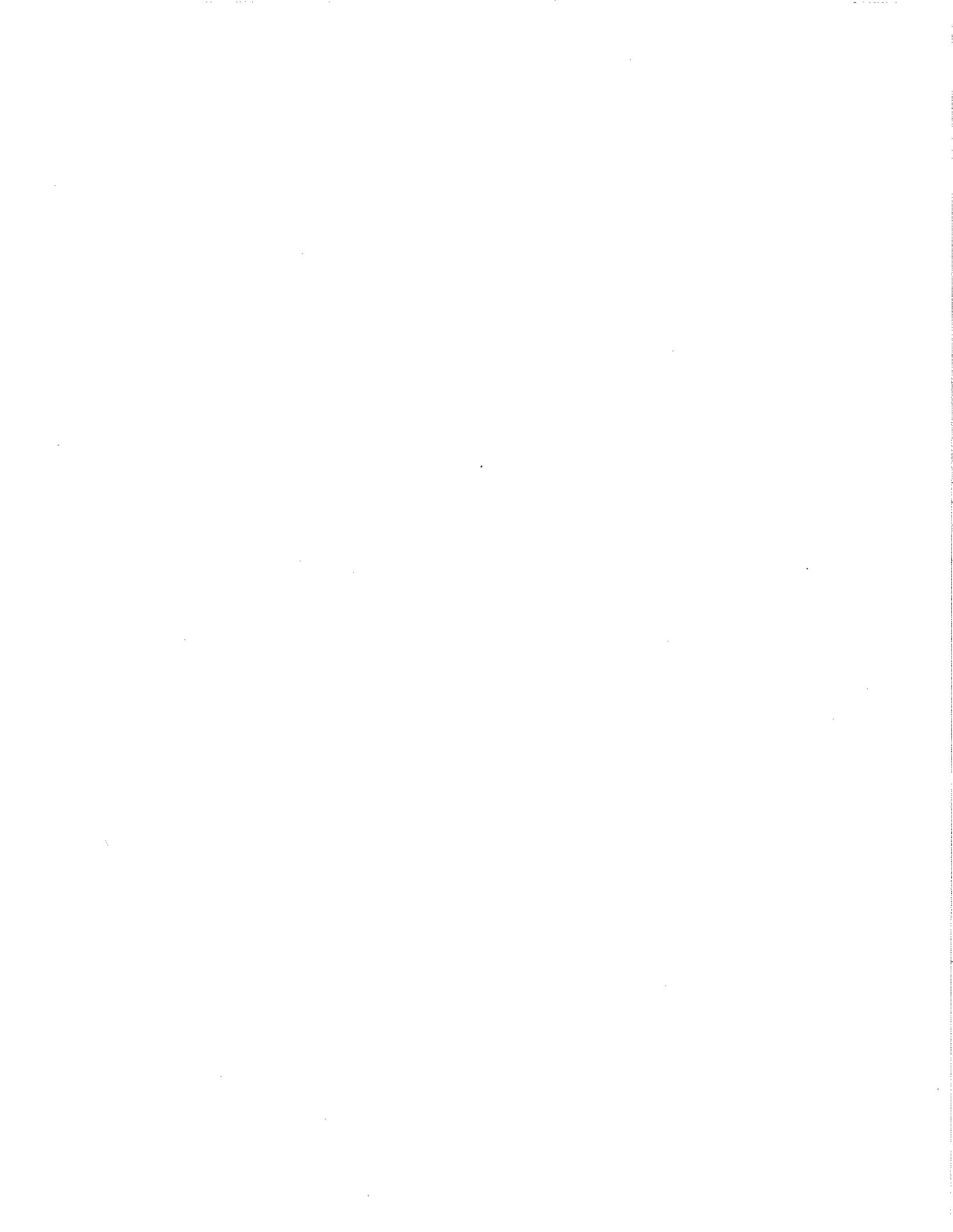
**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2012	JUNE 30, 2011
Business-Type Activities:							
Food Service	258,656	181,649	77,606		599	599	14,183
Community Program							(4,320)
<b>Total Business-Type Activities</b>	<b>258,656</b>	<b>181,649</b>	<b>77,606</b>		<b>599</b>	<b>599</b>	<b>9,863</b>
<b>Total Primary Government</b>	<b>\$14,491,221</b>	<b>181,649</b>	<b>472,912</b>	<b>(13,837,259)</b>	<b>599</b>	<b>(13,836,660)</b>	<b>(13,365,469)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes, Levied for General Purposes				6,439,785		6,439,785	6,460,884
Taxes Levied for Debt Service				787,102		787,102	798,527
Federal & State Aid Not Restricted				6,663,788		6,663,788	6,127,140
Tuition Received				311,182		311,182	151,921
Investment Earnings					478	478	629
Miscellaneous Income				104,322		104,322	91,995
<b>Total General Revenues, Special Items, Extraordinary Items &amp; Transfers</b>				<b>14,306,179</b>	<b>478</b>	<b>14,306,657</b>	<b>13,631,096</b>
Change In Net Assets				468,920	1,077	469,997	265,627
Net Assets - Beginning				8,357,750	68,042	8,425,792	8,160,165
Net Assets - Ending				<b>\$8,826,670</b>	<b>69,119</b>	<b>8,895,789</b>	<b>8,425,792</b>

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



## B. Fund Financial Statements



## Governmental Funds



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
<b>ASSETS:</b>						
Cash & Cash Equivalents	\$1,099,855		536,679	311,512	1,948,046	1,301,519
Interfund Receivable	679,932			6,398	686,330	321,019
Intergovernmental Receivables:						
State	27,555		219,278		246,833	352,611
Federal	31,988	55,820			87,808	104,402
Other	791				791	6,100
Restricted Cash & Cash Equivalents	101,786				101,786	1,786
<b>Total Assets</b>	<b>\$1,941,907</b>	<b>55,820</b>	<b>755,957</b>	<b>317,910</b>	<b>3,071,594</b>	<b>2,087,437</b>
<b>LIABILITIES &amp; FUND BALANCES:</b>						
<b>Liabilities:</b>						
Cash Deficit		41,980			41,980	104,153
Accounts Payable		2,283			2,283	203,855
Interfund Payable	\$18,178		306,398	330,123	654,699	320,048
Deferred Revenue	16,244	11,557			27,801	20,893
<b>Total Liabilities</b>	<b>34,422</b>	<b>55,820</b>	<b>306,398</b>	<b>330,123</b>	<b>726,763</b>	<b>648,949</b>
<b>Fund Balances:</b>						
<b>Restricted for:</b>						
Capital Reserve	1,786				1,786	1,786
Emergency Reserve	100,000				100,000	
Excess Surplus	801,666				801,666	838,482
Excess Surplus Designated for Subsequent Year's Expenditures	838,482				838,482	110,149
Capital Projects Fund			449,559		449,559	458,443
<b>Assigned to:</b>						
Designated for Subsequent Year's Expenditures	165,551				165,551	41,841
<b>Unassigned:</b>						
Debt Service Fund				(12,213)	(12,213)	(12,213)
<b>Total Fund Balances</b>	<b>1,907,485</b>	<b>449,559</b>	<b>(12,213)</b>	<b>2,344,831</b>	<b>1,438,488</b>	
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$1,941,907</b>	<b>55,820</b>	<b>755,957</b>	<b>317,910</b>		
Amounts reported for <i>governmental activities</i> in the statement of net assets (A-1) are different because:						
Capital assets used in governmental activities are not financial resources & therefore are not reported in the funds. The cost of the assets is \$25,235,194 and the accumulated depreciation is \$10,606,980.					14,628,214	15,586,255
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 7)					(8,403,397)	(8,955,780)
Accrued Interest not recorded in current financial statements					(99,161)	(106,157)
Unamortized Bond Costs					140,131	154,887
Unamortized Loss on Early Retirement of Debt					216,052	240,057
<b>Net assets of Governmental Activities</b>					<b>\$8,826,670</b>	<b>8,357,750</b>

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2012	JUNE 30, 2011
						(MEMORANDUM ONLY)
Revenues:						
Local Sources:						
Local Tax Levy	\$6,439,785			787,102	7,226,887	7,259,411
Tuition Charges	311,182				311,182	151,921
Interest on Investments						2,149
Miscellaneous	104,322				104,322	89,846
Total Revenues - Local Sources	6,855,289			787,102	7,642,391	7,503,327
State Sources	6,470,021			111,370	6,581,391	6,242,201
Federal Sources	193,767	263,607			457,374	401,634
Local Sources		20,329			20,329	23,945
Total Revenues	13,519,077	283,936		898,472	14,701,485	14,171,107
Expenditures:						
Current:						
Regular Instruction	4,058,854	151,933			4,210,787	4,249,248
Special Education Instruction	919,054				919,054	870,902
Other Special Instruction	224,229				224,229	269,475
Other Instruction	61,632				61,632	83,127
Adult/Continuing Education Programs						5,569
Support Services & Undistributed Costs:						
Tuition	19,508				19,508	44,072
Student & Instruction Related Services	1,248,104	132,003			1,380,107	1,347,447
General & Business Administrative Services	310,631				310,631	282,967
Central Services	191,611				191,611	221,865
School Administrative Services	459,496				459,496	450,348
Plant Operations & Maintenance	1,007,477				1,007,477	1,048,118
Pupil Transportation	581,363				581,363	520,973
Employee Benefits	3,499,739				3,499,739	3,285,779
Debt Service:						
Principal				580,000	580,000	575,000
Interest & Other Charges				318,472	318,472	338,587
Capital Outlay	69,127		8,884		78,011	53,992
Total Expenditures	12,650,825	283,936	8,884	898,472	13,842,117	13,647,469
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	868,252		(8,884)		859,368	523,638
Other Financing Sources/(Uses):						
Operating Transfers Out						(2,149)
Operating Transfers In						2,149
Assets Acquired Under Capital Leases	46,975				46,975	
Total Other Financing Sources & Uses	46,975				46,975	
Net Change in Fund Balances	915,227		(8,884)	-	906,343	523,638
Fund Balance - July 1	992,258		458,443	(12,213)	1,438,488	914,850
Fund Balance - June 30	\$1,907,485	-	449,559	(12,213)	2,344,831	1,438,488

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
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**

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$906,343
Amounts Reported for <i>Governmental Activities</i> in the statement of A-2 Are Different Because:		
Capital Outlays Are Reported in Governmental Funds as Expenditures. However, in the Statement of Activities, the Cost of Those Assets is Allocated Over Their Estimated Useful Lives as Depreciation Expense. This is the Amount by Which Capital Outlays Exceeded Depreciation in the Period:		
Capital Outlays	\$8,884	
Adjustment Due to Appraisal	(396,835)	
Depreciation Expense	(570,090)	(958,041)
<hr/>		
Repayment of Bond Principal is an Expenditures in the Governmental Funds, But the Repayment Reduces Long-Term Liabilities in the Statement of Net Assets and is Not Reported in the Statement of Activities.		580,000
Repayment of Capital Lease Principle is an Expenditures in the Governmental Funds, But the Repayment Reduces Long-Term Liabilities in the Statement of Net Assets and is Not Reported in the Statement of Activities.		77,839
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of activities.		(105,456)
Bond Issue Costs Are Reported in the Governmental Funds as Expenditures in the Year the Bonds are Issued. However, on the Statement of Activities, the Costs Are Amortized Over the Life of the Bonds:		
Amortization Expense		(38,761)
In the Statement of Activities, Interest on Long-Term Debt in the Statement of Activities is Accrued, Regardless of When Due. In the Governmental Funds, Interest is Reported When Due. The Change in Accrued Interest is an Addition to the Reconciliation. (+)		
Prior Year Accrued Interest	106,157	
Current Year Accrued Interest	(99,161)	6,996
<hr/>		
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 Fund, However, Expenditures for These Items Are Reported in the Amount of Financial Resources Used (Paid). When the Earned Amount Exceeds the Paid Amount, the Difference is a Reduction in the Reconciliation (-); When the Paid Amount Exceeds the Earned Amount the Difference is an Addition to the Reconciliation (+).		
Prior Year Compensated Absences	(621,765)	
Current Year Compensated Absences	621,765	
<hr/>		
Change in Net Assets of Governmental Activities		<u>\$468,920</u>

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



## Proprietary Funds



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2012  
 (With Comparative Totals for June 30, 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2012	JUNE 30, 2011
	Current Assets:			
Cash & Cash Equivalents	\$41,427	1,277	42,704	46,955
Other Accounts Receivable				70
Intergovernmental Receivables:				
State	140		140	392
Federal	3,052		3,052	4,136
Interfunds Receivable	18,178		18,178	13,650
Inventories	8,187		8,187	6,871
Subtotal	70,984	1,277	72,261	72,074
Noncurrent Assets:				
Equipment	87,900		87,900	55,377
Less: Accumulated Depreciation	(57,996)		(57,996)	(55,377)
Total Noncurrent Assets	29,904		29,904	
Total Assets	100,888	1,277	102,165	72,074
LIABILITIES				
Current liabilities:				
Accounts Payable	30,234		30,234	2,771
Deferred Revenue	1,535		1,535	
Due to Shamong Board of Education		486	486	486
Due to Tabernacle Board of Education		791	791	775
Total Liabilities	31,769	1,277	33,046	4,032
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	29,904		29,904	
Unrestricted	39,215		39,215	68,042
Total Net Assets	\$69,119	-	69,119	68,042

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2012	JUNE 30, 2011
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$104,581		104,581	122,898
Daily Sales - Nonreimbursable Programs	76,031		76,031	71,575
Special Functions	1,037		1,037	1,076
Community Service Activities				17,526
<b>Total Operating Revenues</b>	<b>181,649</b>		<b>181,649</b>	<b>213,075</b>
Operating Expenses:				
Salaries	103,498		103,498	108,631
Employee Benefits	19,536		19,536	18,965
Other Purchased Services	7,264		7,264	21,720
Supplies and Materials	6,607		6,607	5,983
Depreciation	2,619		2,619	189
Management Fee	23,460		23,460	23,000
Cost of Sales	95,672		95,672	98,286
<b>Total Operating Expenses</b>	<b>258,656</b>		<b>258,656</b>	<b>276,774</b>
<b>Operating Income/(loss)</b>	<b>(77,007)</b>		<b>(77,007)</b>	<b>(63,699)</b>
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	2,651		2,651	3,007
Federal Sources:				
National School Lunch Program	56,398		56,398	54,827
Food Distribution Program	18,557		18,557	15,728
Interest on Investments	478		478	629
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>78,084</b>		<b>78,084</b>	<b>74,191</b>
Change in Net Assets	1,077		1,077	10,492
Total Net Assets - Beginning	68,042		68,042	57,550
<b>Total Net Assets - Ending</b>	<b>\$69,119</b>	<b>-</b>	<b>69,119</b>	<b>68,042</b>

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2012	JUNE 30, 2011
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers	\$183,184	70	183,254	213,005
Payments to Employees	(103,498)		(103,498)	(108,631)
Payments for Employee Benefits	(19,536)		(19,536)	(18,965)
Payments to Suppliers	(85,528)	(2,755)	(88,283)	(144,521)
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(25,378)</b>	<b>(2,685)</b>	<b>(28,063)</b>	<b>(59,112)</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Interfund Receivable	(4,528)		(4,528)	
State Sources	2,903		2,903	2,927
Federal Sources	57,482		57,482	54,817
<b>Net Cash Provided/(Used) by Noncapital Financing Activities</b>	<b>55,857</b>		<b>55,857</b>	<b>57,744</b>
<b>Cash Flows from Investing Activities:</b>				
Purchase of Capital Assets	(32,523)		(32,523)	
Interest on Investments	478		478	629
<b>Net Cash Provided by Investing Activities</b>	<b>(32,045)</b>		<b>(32,045)</b>	<b>629</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,566)</b>	<b>(2,685)</b>	<b>(4,251)</b>	<b>(739)</b>
Balances - Beginning of Year	42,993	3,962	46,955	47,694
<b>Balances - End of Year</b>	<b>\$41,427</b>	<b>1,277</b>	<b>42,704</b>	<b>46,955</b>

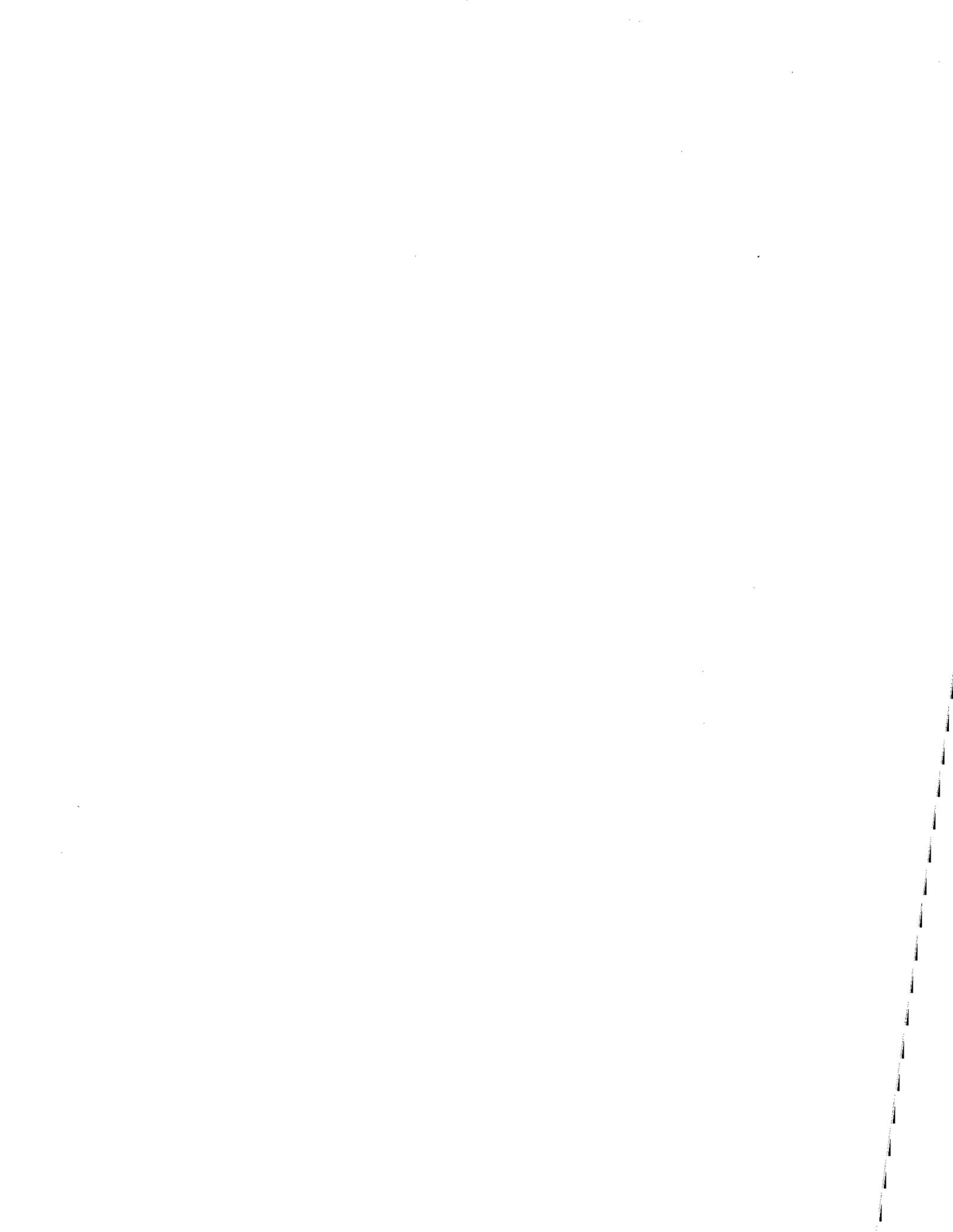
**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	(\$77,007)		(77,007)	(63,699)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	2,619		2,619	189
Food Distribution Program:				
Commodities Received	18,557		18,557	15,728
Changes in Assets & Liabilities:				
Decrease in Inventories	(1,316)		(1,316)	175
Increase in Accounts Receivable		70	70	(70)
Increase/(Decrease) in Accounts Payable	30,234	(2,771)	27,463	2,771
Increase/(Decrease) in Deferred Revenue	1,535		1,535	
Increase in Payable to Shamong BOE				486
Increase in Payable to Tabernacle BOE		16	16	(14,692)
<b>Total Adjustments</b>	<b>51,629</b>	<b>(2,685)</b>	<b>48,944</b>	<b>4,587</b>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(\$25,378)</b>	<b>(2,685)</b>	<b>(28,063)</b>	<b>(59,112)</b>

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



## Fiduciary Fund



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

ASSETS	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP FUND	AGENCY FUND	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$190,882	10,534	67,146	268,562	273,229
Total Assets	190,882	10,534	67,146	268,562	273,229
<b>LIABILITIES</b>					
Payroll Deductions & Withholdings			17,550	17,550	8,329
Unemployment Payable					1,030
Interfunds Payable	48,141		1,668	49,809	13,846
Due to Student Groups			47,928	47,928	51,155
Total Liabilities	48,141		67,146	115,287	74,360
<b>NET ASSETS</b>					
Held in Trust for Unemployment Insurance Claims	142,741			142,741	187,480
Reserved for Scholarships		10,534		10,534	11,389
Total Net Assets	\$142,741	10,534	-	153,275	198,869

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	PRIVATE PURPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP FUND	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
<b>ADDITIONS</b>				
Contributions:				
Plan Members				12,571
Other		500	500	800
Total Contributions		500	500	13,371
Net Investment Earnings	\$2,481	145	2,626	2,695
Total Additions	2,481	645	3,126	16,066
<b>DEDUCTIONS</b>				
Unemployment Claims	47,220		47,220	56,149
Scholarships Awarded		1,500	1,500	1,500
Total Deductions	47,220	1,500	48,720	57,649
Change in Net Assets	(44,739)	(855)	(45,594)	(41,583)
Net Assets-Beginning of the Year	187,480	11,389	198,869	240,452
Net Assets - End of the Year	\$142,741	10,534	153,275	198,869

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

**TABERNACLE TOWNSHIP  
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012**



## TABERNACLE TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

#### **Note 1. Summary of Significant Accounting Policies**

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

The District is implemented these standards beginning with fiscal year-ending June 30, 2003. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in the current fiscal year: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 - *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 – *Economic Condition Reporting – The Statistical Section*; Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and Statement 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2012 and for the year then ended with comparative totals as of and for the year ended June 30, 2011 (Memorandum Only).

#### **A. Reporting Entity**

The Tabernacle Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The operations of the District include two elementary schools located in Tabernacle Township. The Board is comprised of nine members appointed to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The Tabernacle Township Board of Education has an approximate enrollment at June 30, 2012 of 828 students.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

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

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

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

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):**

**JUNE 30, 2012**

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

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

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

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

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

**D. Fund Accounting**

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

**Governmental Funds**

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

As required by the New Jersey Department of Education Tabernacle Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

**Proprietary Fund**

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

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

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

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

Machinery & Equipment	7 – 20 Years
-----------------------	--------------

**Fiduciary Fund**

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

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

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The district currently maintains Payroll funds and Student Activity Funds as Agency Funds.

**E. Basis of Accounting**

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

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.

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

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and 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.

**F. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

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

The following presents a reconciliation of the general fund and special revenue fund revenues and expenditures 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 Revenues 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:

**Notes to Required Supplementary Information.  
Budgetary Comparison Schedule**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 13,550,062	\$293,699
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		(9,763)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(30,985)</u>	
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$13,519,077</u>	<u>\$283,936</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$12,603,825	\$293,699
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		<u>(9,763)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$12,603,825</u>	<u>\$283,936</u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

**G. Encumbrances**

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

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

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

**H. Cash and Cash Equivalents**

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

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

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

**I. Tuition Receivable/Payable**

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

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2012, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2009-2010 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

**J. Inventories & Prepaid Expenses**

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

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

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

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

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Tabernacle Township Board of Education and that are due within one year. Additional information is presented in Note 13.

**L. Fixed Assets:**

During the year ended June 30, 1994 the District established a formal system of accounting for its general fixed assets. General fixed assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated fixed assets are valued at their estimated fair market value on the date received. The cost of normal repairs and maintenance are not capitalized. Interest is not capitalized on Capital Assets.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

All reported Capital Assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method and the half-year convention over the following estimated useful lives:

School Buildings	50 Years
Building Improvements	20 Years
Electrical/Plumbing	30 Years
Vehicles	8 Years
Office & Computer Equipment	5 – 10 Years
Instructional Equipment	10 Years
Ground Equipment	15 Years
Food Equipment	7 – 20 Years

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**M. Accrued Salaries and Wages**

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2012 for such salaries.

**N. Compensated Absences**

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

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

**O. Deferred Revenue**

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

**P. Long-term Obligations**

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

**Q. Fund Equity**

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources. In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

**R. Subsequent Events**

Tabernacle Board of Education has evaluated subsequent events occurring after June 30, 2012 through the date of October 2, 2012, which is the date the financial statements were available to be issued.

**Note 2. Cash and Cash Equivalents**

The District is governed by the deposit limitations of New Jersey state law. The Deposits held at June 30, 2012, and reported at fair value are as follows:

<b>Type</b>	<b>Carrying Value</b>
<b>Deposits:</b>	
Demand Deposits	<u>\$2,319,118</u>
Total Deposits	<u>\$2,319,118</u>

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

Governmental Activities	\$2,007,852
Business-Type Activities	42,704
Fiduciary Funds	<u>268,562</u>
Total Cash and Cash Equivalents	<u>\$2,319,118</u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk. As of June 30, 2012, the District's bank balance of \$2,808,334 was insured or collateralized as follows:

Insured	\$ 250,000
Collateralized in the District's Name Under GUDPA (See Note 3)	<u>2,558,334</u>
Total	<u>\$2,808,334</u>

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

The District has deposited cash in 2012 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

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

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):**

**JUNE 30, 2012**

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

liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

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

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

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

**Note 4. Capital Reserve Account**

The Tabernacle Township Board of Education established a capital reserve account during the 1999-2000 budget year 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 or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance, June 30, 2011 & 2012	\$1,786
-------------------------------	---------

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 5. Fixed Assets**

The following schedule is a summarization of the general fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2012:

	June 30, 2011	Additions	Adjustments	Deletions	June 30, 2012
Land & Land Improvements	\$ 112,801				\$ 112,801
Buildings	22,423,212				22,423,212
Machinery & Equipment	<u>3,215,332</u>	\$ 8,884	\$(396,835)	\$(128,200)	2,699,181
Subtotal	25,751,345	8,884	(396,835)	(128,200)	25,235,194
Accumulated Depreciation	<u>(10,165,090)</u>	(570,090)		128,200	(10,606,980)
Total	<u>\$15,586,255</u>	<u>\$(561,206)</u>	<u>\$(396,835)</u>	<u>\$ -</u>	<u>\$14,628,214</u>

The following is a summary of proprietary fund type fixed assets at June 30, 2012:

	June 30, 2011	Additions	Depreciation	June 30, 2012
Machinery & Equipment	\$55,377	\$32,523	\$ -	\$87,900
Less: Accumulated Depreciation	<u>(55,377)</u>	<u>(2,619)</u>		<u>(57,996)</u>
Net Fixed Assets	<u>\$ -</u>	<u>\$29,904</u>	<u>\$ -</u>	<u>\$29,904</u>

**Note 6. Deferred Bond Issuance Costs/Unamortized Loss on Refunding Bond**

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized using the straight-line method over the life of the specific bond issue (25 years 1996 Issue, 18 years 2003 Refunding Issue, 20 years 2005 Issue). The costs associated with the issue of the 1996 Bonds amounted to \$93,709. The cost for the 2005 refunding issue was \$157,893. The cost for the 2005 Issue amounted to \$44,707. The amortization expense for the fiscal year ended June 30, 2012 amounted to \$14,756.

The 2003 Refunding Issue resulted in a \$432,107 unamortized loss. The loss is being amortized over the 18 years life of the issue. The amortized loss for the fiscal year ending June 30, 2012 was \$24,005.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 7. Long-Term Debt**

During the fiscal year ended June 30, 2012 the following changes occurred in liabilities reported in the long-term debt:

	<b>Balance 6/30/11</b>	<b>Accrued/ Increases</b>	<b>Retired/ Decreases</b>	<b>Balance 6/30/12</b>	<b>Due Within One Year</b>
Compensated Absences Payable	\$ 621,767	\$ -		\$ 621,767	
Bonds Payable	8,238,000		\$580,000	7,658,000	\$590,000
Obligations Under Capital Leases	96,013	105,456	77,839	123,630	77,097
<b>Total</b>	<b>\$8,955,780</b>	<b>\$105,456</b>	<b>\$657,839</b>	<b>\$8,403,397</b>	<b>\$667,097</b>

**A. Bonds Payable:**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are General Obligation Bonds.

Bonds payable currently outstanding are as follows:

Various Improvements – Authorized and issued \$6,930,000.00, dated September 1, 1996, for the purpose of construction of addition to the Primary School, renovations to the Kenneth R. Olson Middle School and to construct a maintenance and transportation facility, the final maturity is due September 1, 2021, with interest rates on remaining maturities ranging from 5.375% to 5.625%. The Bonds maturing on or after September 1, 2008 were redeemed on October 1, 2003.

On October 1, 2003, the Board of Education issued \$5,335,000 of Refunding School Bonds to provide for an advanced refunding of the callable portion of the outstanding 1996 issue. Bonds maturing on or after September 1, 2008 in the aggregate principle amount of \$4,745,000, were prepaid at 100% of par. As a result of the refunding the Board reduced the total debt service requirements by \$251,948, which resulted in an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$191,408.

On February 1, 2005, the District issued \$5,673,000 of School Bonds. The purpose of the Bonds is to undertake the construction of various renovations and improvements to Kenneth R. Olson Middle School and Tabernacle Elementary School in order to correct various health and safety deficiencies and make necessary offsite improvements. The Bonds maturing prior to March 1, 2016 are not subject to redemption prior to their maturity date. Bonds maturing after March 1, 2016 are redeemable at the option of the Board in whole or in part on or after March 1, 2015. The Bond bears interest rates from 2.5% to 4.3% with final maturity on February 1, 2025.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

Debt service requirements on Serial Bonds payable at June 30, 2012 are as follows:

Year-ending June 30,	Principal	Interest	Total
2013	\$ 590,000	\$ 297,484	\$ 887,484
2014	595,000	275,647	870,647
2015	630,000	252,797	882,797
2016	635,000	228,566	863,566
2017	645,000	203,867	848,867
2018-2022	3,490,000	749,975	4,239,975
2023-2025	<u>1,073,000</u>	<u>86,630</u>	<u>1,159,630</u>
Total	<u>\$7,658,000</u>	<u>\$2,094,965</u>	<u>\$9,752,965</u>

**B. Capital Leases Payable:**

The District is leasing copiers and buses under capital lease arrangements. The capital leases are for three to five years. There are no leases in the Enterprise Funds.

**Future Minimum Lease Payments**

Future minimum lease payments under the lease purchase agreements along with the present value of minimum lease payments as of June 30, 2012 are:

Year-ending June 30,	Amount
2013	\$80,092
2014	32,085
2015	<u>16,054</u>
Total Minimum Lease Payments	128,231
Less: Amount Representing Interest	<u>4,601</u>
Present Value of Lease Payments	<u>\$123,630</u>

**Note 8. Pension Plans**

**Plan Descriptions** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

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

State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

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

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

**Vesting and Benefit Provisions** - The vesting and benefit provisions of PERS are set by *N.J.S.A. 43:15A* and *43.3B* and *N.J.S.A. 18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

**Note 8. 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 ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

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

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

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

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

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

**Three-Year Trend Information for PERS**

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$51,560	100%	\$ -0-
6/30/11	99,125	100%	-0-
6/30/10	97,950	100%	-0-

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$596,158	100%	\$ -0-
6/30/11	434,433	100%	-0-
6/30/10	430,687	100%	-0-

During the year ended June 30, 2012 the State of New Jersey contributed \$596,158 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$444,755 for 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 the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**Note 9. Post-Retirement Benefits**

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 9. Post-Retirement Benefits (continued):**

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.

**Note 10. Risk Management**

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

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

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

<b>Fiscal Year</b>	<b>District Contributions</b>	<b>Interest Earned</b>	<b>Amount Reimbursed</b>	<b>Ending Balance</b>
2011-2012	\$ -	\$2,481	\$47,220	\$142,741
2010-2011	12,571	2,537	56,149	187,480
2009-2010	13,417	2,869	14,896	228,521

**Note 11. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2012 may be impaired. In the opinion of the District, 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 combined financial statements for such contingencies.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 12. Economic Dependency**

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

**Note 13. Interfund Receivables and Payables**

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$679,932	\$ 18,178
Capital Projects Fund		306,398
Debt Service	6,398	330,123
Enterprise Fund	18,178	
Fiduciary Fund	<u>          </u>	<u>49,809</u>
Total	<u>\$704,508</u>	<u>\$704,508</u>

The purpose of these interfunds are for short-term borrowings.

**Note 14. GASB #54 - Fund Balance Disclosures**

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Tabernacle School District classifies governmental fund balances as follows:

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

**Note 14. GASB #54 - Fund Balance Disclosures (continued):**

**General Fund (Exhibit B-1)** – Of the \$1,907,485 General Fund fund balance at June 30, 2012, \$1,786 has been restricted for the Capital Reserve Account; \$100,000 has been restricted for the Emergency Reserve Account; \$801,666 has been restricted for excess surplus; \$838,482 has been restricted for Excess Surplus Designated for Subsequent Year’s Expenditures and \$165,551 has been assigned to be designated for subsequent year expenditures.

**Capital Projects Fund (Exhibit B-1)** – Of the \$449,559 Capital Projects Fund fund balance, budgetary basis, at June 30, 2012, \$449,559 is restricted for the Capital Projects Fund.

**Debt Service Fund (Exhibit B-1)** – Of the \$(12,213) Debt Service Fund fund balance, budgetary basis, at June 30, 2012, \$(12,213) is unassigned.

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

**Note 15. Deferred Compensation**

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

ING Life Insurance & Annuity Co.	AXA Equitable
Met Life	Lincoln Investment Planning, Inc.
The Variable Annuity Life Insurance Co.	Walnut Street Securities

**Note 16. 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.

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

**Note 16. Compensated Absences (continued):**

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. 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 under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2012 is \$621,765.

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 no liability existed for compensated absences in the proprietary fund types.

**Note 17. Calculation of Excess Surplus**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$801,666.



**REQUIRED SUPPLEMENTARY INFORMATION – PART II**



### C. Budgetary Comparison Schedules



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Revenues:</b>											
<b>Local Sources:</b>											
Local Tax Levy	10-1210	\$6,439,785		6,439,785	6,439,785		6,454,785		6,454,785	6,460,884	6,099
Tuition from Individuals	10-1310	160,664		160,664	311,182	150,518	65,800		65,800	55,421	(10,379)
Other Tuition	10-1320									96,500	96,500
Miscellaneous		67,000		67,000	104,322	37,322	95,000		95,000	89,846	(5,154)
<b>Total Local Sources</b>		<b>6,667,449</b>		<b>6,667,449</b>	<b>6,855,289</b>	<b>187,840</b>	<b>6,615,585</b>		<b>6,615,585</b>	<b>6,702,651</b>	<b>87,066</b>
<b>State Sources:</b>											
Non-Public Transportation Aid	10-3000				5,220	5,220				4,002	4,002
Categorical Special Education Aid	10-3132	436,655		436,655	436,655		436,655		436,655	436,655	
Equalization Aid	10-3176	3,387,540		3,387,540	3,387,540		3,387,540		3,387,540	3,387,540	
Categorical Security Aid	10-3177	65,479		65,479	65,479		65,479		65,479	65,479	
Adjustment Aid	10-3178	1,095,766		1,095,766	1,226,662	130,896	964,871		964,871	964,871	
Categorical Transportation Aid	10-3121	338,537		338,537	338,537		338,537		338,537	338,537	
<b>Nonbudgeted:</b>											
On-Behalf TPAF Pension Contributions					596,158	596,158				434,433	434,433
Reimbursed TPAF Social Security Contributions					444,755	444,755				422,717	422,717
<b>Total State Sources</b>		<b>5,323,977</b>		<b>5,323,977</b>	<b>6,501,006</b>	<b>1,177,029</b>	<b>5,193,082</b>		<b>5,193,082</b>	<b>6,054,234</b>	<b>861,152</b>
<b>Federal Sources:</b>											
Education Jobs Fund	10-4522	193,767		193,767	193,767						
<b>Total Federal Sources</b>		<b>193,767</b>		<b>193,767</b>	<b>193,767</b>						
<b>Total Revenues</b>		<b>12,185,193</b>		<b>12,185,193</b>	<b>13,550,062</b>	<b>1,364,869</b>	<b>11,808,667</b>		<b>11,808,667</b>	<b>12,756,885</b>	<b>948,218</b>
<b>Expenditures:</b>											
<b>Current Expense:</b>											
<b>Instruction - Regular Programs:</b>											
<b>Salaries of Teachers:</b>											
Preschool/Kindergarten	11-110-100-101	283,164		283,164	205,940	77,224	276,258	(27,300)	248,958	248,826	132
Grades 1 - 5	11-120-100-101	2,093,772	(12,500)	2,081,272	2,196,421	(115,149)	1,914,622	87,341	2,001,963	2,001,338	625
Grades 6 - 8	11-130-100-101	1,241,041	(2,760)	1,238,281	1,200,309	37,972	1,292,333	(3,307)	1,289,026	1,288,693	333

55

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Expenditures (continued):											
Current Expense (continued):											
Regular Programs - Home Instruction:											
Salaries of Teachers	11-150-100-101	2,563	250	2,813	5,528	(2,715)	2,500	(600)	1,900	1,894	6
Regular Programs - Undistributed Instruction:											
Other Salaries for Instruction	11-190-100-106	99,358		99,358	86,440	12,918	96,935	(9,358)	87,577	87,455	122
Purchased Professional/ Educational Services	11-190-100-320	53,600	44,010	97,610	81,915	15,695	87,829	(18,300)	69,529	65,984	3,545
Purchased Technical Services	11-190-100-340	12,000		12,000	12,000		35,200	(6,800)	28,400	28,000	400
Other Purchased Services	11-190-100-500	32,826	(12,500)	20,326	15,965	4,361	13,844	7,726	21,570	17,130	4,440
General Supplies	11-190-100-610	222,893	102,500	325,393	234,680	90,713	168,341	(26,501)	141,840	128,406	13,434
Textbooks	11-190-100-640	20,000	(4,000)	16,000	14,776	1,224	35,500		35,500	34,301	1,199
Other Objects	11-190-100-890	6,450		6,450	4,880	1,570	4,750	(3,000)	1,750		1,750
<b>Total Regular Programs - Instruction</b>		<b>4,067,667</b>	<b>115,000</b>	<b>4,182,667</b>	<b>4,058,854</b>	<b>123,813</b>	<b>3,928,112</b>	<b>(99)</b>	<b>3,928,013</b>	<b>3,902,027</b>	<b>25,986</b>
Special Education:											
Learning and/or Language Disabilities:											
Salaries of Teachers	11-204-100-101	85,080		85,080	89,023	(3,943)	83,005	5,170	88,175	88,015	160
Other Salaries for Instruction	11-204-100-106	20,820		20,820	20,526	294	20,312	400	20,712	20,687	25
<b>Total Learning and/or Language Disabilities</b>		<b>105,900</b>		<b>105,900</b>	<b>109,549</b>	<b>(3,649)</b>	<b>103,317</b>	<b>5,570</b>	<b>108,887</b>	<b>108,702</b>	<b>185</b>
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	73,111	(10,000)	63,111	81,883	(18,772)	71,328	(11,100)	60,228	55,670	4,558
Other Salaries for Instruction	11-212-100-106	43,399	(6,000)	37,399	15,150	22,249	42,340	(8,821)	33,519	29,827	3,692
General Supplies	11-212-100-610						500		500		500
<b>Total Multiple Disabilities</b>		<b>116,510</b>	<b>(16,000)</b>	<b>100,510</b>	<b>97,033</b>	<b>3,477</b>	<b>114,168</b>	<b>(19,921)</b>	<b>94,247</b>	<b>85,497</b>	<b>8,750</b>
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	370,098		370,098	548,558	(178,460)	361,071	39,432	400,503	400,501	2
Other Salaries for Instruction	11-213-100-106	92,242	(85,000)	7,242	10,174	(2,932)	89,992	53,549	143,541	143,541	

56

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Resource Room	462,340	(85,000)	377,340	558,732	(181,392)	451,063	92,981	544,044	544,042	2	
Preschool Disabilities - Part-Time:											
Salaries of Teachers	11-215-100-101	87,635	10,000	97,635	127,230	(29,595)	85,498	(3,683)	81,815	81,263	552
Other Salaries for Instruction	11-215-100-106	29,327	6,000	35,327	23,636	11,691	28,612	21,150	49,762	49,380	382
Purchased Professional/ Educational Services	11-215-100-320	12,500		12,500	2,874	9,626	12,500	(10,200)	2,300	2,018	282
Total Preschool Disabilities - Part-Time		129,462	16,000	145,462	153,740	(8,278)	126,610	7,267	133,877	132,661	1,216
Total Special Education		814,212	(85,000)	729,212	919,054	(189,842)	795,158	85,897	881,055	870,902	10,153
Basic Skills/Remedial - Instruction:											
Salaries of Teachers	11-230-100-101	218,449		218,449	202,108	16,341	213,121	3,055	216,176	216,069	107
Other Salaries for Instruction	11-230-100-106	44,398		44,398	21,609	22,789	43,315	4,822	48,137	47,613	524
General Supplies	11-230-100-610	2,750		2,750	512	2,238	2,750	(1,900)	850	452	398
Total Basic Skills/Remedial - Instruction		265,597		265,597	224,229	41,368	259,186	5,977	265,163	264,134	1,029
Bilingual Instruction:											
Salaries	11-240-100-101	7,104		7,104		7,104	6,931	(1,000)	5,931	5,341	590
General Supplies	11-240-100-610	500		500		500	500		500		500
Total Bilingual Instructions		7,604		7,604		7,604	7,431	(1,000)	6,431	5,341	1,090
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	17,965	(3,450)	14,515	21,465	(6,950)	17,527	20,587	38,114	38,106	8
Supplies and Materials	11-401-100-600		3,150	3,150	2,138	1,012		2,350	2,350		2,350
Other Objects	11-401-100-800		300	300	250	50					
Total School Sponsored Cocurricular Activities		17,965		17,965	23,853	(5,888)	17,527	22,937	40,464	38,106	2,358

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>School Sponsored Athletics - Instruction:</b>											
Salaries	11-402-100-100	37,996	(1,349)	36,647	36,439	208	37,069	3,000	40,069	40,002	67
Purchased Services	11-402-100-500		711	711	703	8		4,819	4,819	4,819	
Supplies and Materials	11-402-100-600		638	638	637	1					
Other Objects	11-402-100-800							275	275	200	75
<b>Total School Sponsored Athletics - Instruction</b>		<b>37,996</b>		<b>37,996</b>	<b>37,779</b>	<b>217</b>	<b>37,069</b>	<b>8,094</b>	<b>45,163</b>	<b>45,021</b>	<b>142</b>
<b>Community Service Programs - Operations:</b>											
Salaries of Teachers	11-800-330-100						3,169	2,400	5,569	5,569	
<b>Total Community Service Programs - Operations</b>							<b>3,169</b>	<b>2,400</b>	<b>5,569</b>	<b>5,569</b>	
<b>Total - Instruction</b>		<b>5,211,041</b>	<b>30,000</b>	<b>5,241,041</b>	<b>5,263,769</b>	<b>(22,728)</b>	<b>5,047,652</b>	<b>124,206</b>	<b>5,171,858</b>	<b>5,131,100</b>	<b>40,758</b>
<b>Undistributed Expenditures:</b>											
<b>Instruction:</b>											
Tuition to Other LEA's within											
State - Special	11-000-100-562	18,000		18,000		18,000	41,800	(10,712)	31,088	12,011	19,077
Tuition to Private Schools for the Handicapped & Other LEA's	11-000-100-566	47,373		47,373	19,508	27,865	49,117		49,117	32,061	17,056
<b>Total Undistributed Expenditures - Instruction</b>		<b>65,373</b>		<b>65,373</b>	<b>19,508</b>	<b>45,865</b>	<b>90,917</b>	<b>(10,712)</b>	<b>80,205</b>	<b>44,072</b>	<b>36,133</b>
<b>Attendance &amp; Social Work Services:</b>											
Salaries	11-000-211-100	894		894	952	(58)	872		872	872	
<b>Total Attendance &amp; Social Work Services</b>		<b>894</b>		<b>894</b>	<b>952</b>	<b>(58)</b>	<b>872</b>		<b>872</b>	<b>872</b>	
<b>Health Services:</b>											
Salaries	11-000-213-100	117,141	525	117,666	120,203	(2,537)	113,716	3,940	117,656	117,631	25
Purchased Professional & Technical Services	11-000-213-300	6,500	(565)	5,935	4,896	1,039	6,500	(1,740)	4,760	4,759	1
Other Purchased Services	11-000-213-500	600	(500)	100	40	60	1,350	(1,350)			
Supplies and Materials	11-000-213-600	1,575	540	2,115	2,044	71	2,310		2,310	1,657	653

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Health Services	125,816		125,816	127,183	(1,367)	123,876	850	124,726	124,047	679
Other Support Services - Students - Related Services:										
Salaries 11-000-216-100	150,171		150,171	148,327	1,844	149,258	4,700	153,958	153,117	841
Purchased Professional/ Educational Services 11-000-216-320	3,300		3,300	1,098	2,202	3,800	(3,800)			
Supplies and Materials 11-000-216-600	900		900	832	68	900	(900)			
Total Other Support Services - Students - Related Services	154,371		154,371	150,257	4,114	153,958		153,958	153,117	841
Special Education - Extraordinary Services:										
Salaries 11-000-217-100	157,313		157,313	166,106	(8,793)	153,476	(28,422)	125,054	124,954	100
Total Undistributed Expenditures - Other Support Services - Extraordinary Services	157,313		157,313	166,106	(8,793)	153,476	(28,422)	125,054	124,954	100
Other Support Services - Students - Regular:										
Salaries of Other Professional Staff 11-000-218-104	123,768		123,768	104,016	19,752	120,749	3,250	123,999	123,946	53
Purchased Professional/ Educational Services 11-000-218-320						2,500	(2,500)			
Other Purchased Services 11-000-218-500	275	(30)	245		245	550	(550)			
Supplies and Materials 11-000-218-600	800	30	830	825	5	2,575	(1,050)	1,525	270	1,255
Total Other Support Services - Students - Regular	124,843		124,843	104,841	20,002	126,374	(850)	125,524	124,216	1,308
Other Support Services - Students - Special Services:										
Salaries of Other Professional Staff 11-000-219-104	187,337	130,500	317,837	335,819	(17,982)	294,823	(45,828)	248,995	238,795	10,200
Salaries of Secretarial & Clerical Assistants 11-000-219-105	37,028		37,028	38,136	(1,108)	36,125	5,600	41,725	41,601	124
Purchased Professional/ Educational Services 11-000-219-320	150,164	(130,500)	19,664	8,449	11,215	44,400	26,028	70,428	69,809	619
Miscellaneous Purchased Services 11-000-219-592	2,560	(5)	2,555	1,855	700	3,460	(160)	3,300	1,952	1,348
Supplies and Materials 11-000-219-600	500	5	505	502	3	500		500	320	180
Other Objects 11-000-219-800	1,000		1,000	800	200	1,000		1,000		1,000
Total Other Support Services-Students-Special-Services	378,589		378,589	385,561	(6,972)	380,308	(14,360)	365,948	352,477	13,471

59

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Improvement of Instruction Services:</b>											
Salaries of Supervisors of Instruction	11-000-221-102	30,873		30,873	939	29,934	50,200	(1,200)	49,000	46,950	2,050
Salaries of Other Professional Staff	11-000-221-104	7,000		7,000	947	6,053	11,363		11,363	6,250	5,113
Salaries of Secretarial & Clerical Assistants	11-000-221-105	21,364		21,364	21,231	133	20,843	600	21,443	21,442	1
Other Purchased Services	11-000-221-500	5,775		5,775	4,458	1,317	6,225		6,225	4,508	1,717
Supplies and Materials	11-000-221-600	800		800	731	69	800		800	467	333
<b>Total Improvement of Instruction Services</b>		<b>65,812</b>		<b>65,812</b>	<b>28,306</b>	<b>37,506</b>	<b>89,431</b>	<b>(600)</b>	<b>88,831</b>	<b>79,617</b>	<b>9,214</b>
<b>Educational Media Services/School Library:</b>											
Salaries	11-000-222-100	177,910		177,910	184,135	(6,225)	173,971	5,233	179,204	178,776	428
Purchased Professional & Technical Services	11-000-222-300	5,500		5,500		5,500	5,500		5,500	5,431	69
Other Purchased Services	11-000-222-500	6,100		6,100	5,974	126	9,100		9,100	6,709	2,391
Supplies and Materials	11-000-222-600	35,588		35,588	35,255	333	35,978	(5,073)	30,905	30,860	45
Miscellaneous	11-000-222-800							25,000	25,000		25,000
<b>Total Educational Media Services/School Library</b>		<b>225,098</b>		<b>225,098</b>	<b>225,364</b>	<b>(266)</b>	<b>224,549</b>	<b>25,160</b>	<b>249,709</b>	<b>221,776</b>	<b>27,933</b>
<b>Instructional Staff Training Services:</b>											
Salaries of Supervisors of Instruction	11-000-223-102	30,873	(2,100)	28,773	939	27,834	50,200		50,200	47,550	2,650
Salaries of Secretarial & Clerical Assistants	11-000-223-105	21,364		21,364	21,705	(341)	20,843	600	21,443	20,843	600
Purchased Professional & Educational Services	11-000-223-320	30,090	2,100	32,190	34,814	(2,624)	30,000		30,000	16,535	13,465
Other Purchased Services	11-000-223-500	1,100	150	1,250	245	1,005	11,700	344	12,044	554	11,490
Supplies & Materials	11-000-223-600	2,500	(150)	2,350	1,831	519	3,000		3,000	1,642	1,358
Other Objects	11-000-223-800	1,150		1,150		1,150	1,150		1,150	889	261
<b>Total Instructional Staff Training Services</b>		<b>87,077</b>		<b>87,077</b>	<b>59,534</b>	<b>27,543</b>	<b>116,893</b>	<b>944</b>	<b>117,837</b>	<b>88,013</b>	<b>29,824</b>

60

**TABERNALE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Support Services General Administration:</b>											
Salaries	11-000-230-100	198,729		198,729	199,932	(1,203)	197,020	(893)	196,127	154,323	41,804
Legal Services	11-000-230-331	28,900	(510)	28,390	12,083	16,307	18,000	7,662	25,662	22,255	3,407
Audit Fees	11-000-230-332	22,050		22,050	19,200	2,850	21,000		21,000	16,000	5,000
Other Purchased Professional Services	11-000-230-339	34,000		34,000	14,609	19,391	34,000	(7,662)	26,338	26,330	8
Communications/Telephone	11-000-230-530	51,400		51,400	27,875	23,525	51,400		51,400	26,748	24,652
Other Purchased Services	11-000-230-590	21,925	510	22,435	15,804	6,631	28,225		28,225	19,203	9,022
General Supplies	11-000-230-610	4,500		4,500	3,588	912	9,500	374	9,874	3,443	6,431
BOE In-House Training/Meeting Supplies	11-000-230-630	300		300		300	1,400		1,400		1,400
Miscellaneous Expenditures	11-000-230-890	8,750		8,750	8,107	643	11,250		11,250	6,033	5,217
BOE Membership Dues & Fees	11-000-230-895	9,600		9,600	9,433	167	9,600		9,600	8,632	968
<b>Total Support Services General Administration</b>		<b>380,154</b>		<b>380,154</b>	<b>310,631</b>	<b>69,523</b>	<b>381,395</b>	<b>(519)</b>	<b>380,876</b>	<b>282,967</b>	<b>97,909</b>
<b>Support Services School Administration:</b>											
Salaries of Principals & Assistant Principals	11-000-240-103	210,843	(1)	210,842	218,124	(7,282)	205,700		205,700	205,700	
Salaries of Secretarial & Clerical Assistants	11-000-240-105	194,805		194,805	195,559	(754)	190,054	13,738	203,792	203,700	92
Other Purchased Services	11-000-240-500	5,721		5,721	5,058	663	11,271	(1,800)	9,471	8,621	850
Supplies and Materials	11-000-240-600	14,000		14,000	9,893	4,107	9,788	(5,640)	4,148	3,327	821
Other Objects	11-000-240-800	2,695		2,695	1,600	1,095	2,695	(406)	2,289	1,600	689
<b>Total Support Services School Administration</b>		<b>428,064</b>	<b>(1)</b>	<b>428,063</b>	<b>430,234</b>	<b>(2,171)</b>	<b>419,508</b>	<b>5,892</b>	<b>425,400</b>	<b>422,948</b>	<b>2,452</b>
<b>Central Services:</b>											
Salaries	11-000-251-100	189,584		189,584	174,266	15,318	210,326	(5,000)	205,326	199,397	5,929
Purchased Professional Services	11-000-251-330	5,000	30	5,030	5,014	16	1,250		1,250	250	1,000
Purchased Technical Services	11-000-251-340	2,950	770	3,720	3,720		2,950		2,950	2,720	230
Miscellaneous Purchased Services	11-000-251-592	7,810	(800)	7,010	3,215	3,795	15,360	7,294	22,654	10,692	11,962
Supplies and Materials	11-000-251-600	6,770		6,770	3,789	2,981	7,561		7,561	5,306	2,255
Miscellaneous Expenditures	11-000-251-890	3,500		3,500	1,607	1,893	3,500		3,500	3,500	

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Central Services	215,614		215,614	191,611	24,003	240,947	2,294	243,241	221,865	21,376
Administration Information Technology										
Purchased Technical Services						5,500		5,500	115	5,385
Other Purchased Services	29,420		29,420	29,262	158	28,940		28,940	26,387	2,553
Supplies and Materials	1,000		1,000		1,000	1,000		1,000	898	102
Total Administration Information Technology	30,420		30,420	29,262	1,158	35,440		35,440	27,400	8,040
Allowable Maintenance for School Facilities:										
Salaries	16,400		16,400	10,544	5,856	16,000		16,000	11,376	4,624
Cleaning, Repair & Maintenance Services	75,255	5,500	80,755	51,763	28,992	60,605	13,065	73,670	59,764	13,906
General Supplies	17,912	(5,500)	12,412	6,676	5,736	17,912	1,203	19,115	19,050	65
Total Allowable Maintenance for School Facilities	109,567		109,567	68,983	40,584	94,517	14,268	108,785	90,190	18,595
Other Operation & Maintenance of Plant:										
Salaries	478,579		478,579	438,539	40,040	466,906	21,916	488,822	464,610	24,212
Purchased Professional & Technical Services	10,000		10,000	4,142	5,858	17,485	2,300	19,785	8,714	11,071
Cleaning, Repair & Maintenance Services	95,841		95,841	76,540	19,301	49,439	137	49,576	34,220	15,356
Other Purchased Property Services	1,080		1,080	1,078	2	1,080		1,080	1,078	2
Insurance	43,600		43,600	43,600		43,600		43,600	40,407	3,193
Miscellaneous Purchased Services	600		600	580	20	1,100		1,100	1,060	40
General Supplies	52,156		52,156	36,946	15,210	51,250		51,250	49,723	1,527
Energy (Gas)	305,500	(105,000)	200,500	92,900	107,600	187,640	3,000	190,640	104,472	86,168
Energy (Electricity)	187,640	105,000	292,640	243,693	48,947	384,220	(3,000)	381,220	252,894	128,326
Other Objects	1,500		1,500	476	1,024	1,500		1,500	750	750
Total Other Operation & Maintenance of Plant	1,176,496		1,176,496	938,494	238,002	1,204,220	24,353	1,228,573	957,928	270,645
Care & Upkeep of Grounds:										
Cleaning, Repair & Maintenance Services						11,850	(11,850)			
General Supplies						2,800	(2,800)			
Total Care & Upkeep of Grounds						14,650	(14,650)			

**TABERNAACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Student Transportation Services:											
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	352,145		352,145	340,438	11,707	343,556	(60)	343,496	341,803	1,693
Salaries for Pupil Transportation (Between Home & School) - Special Education	11-000-270-161	11,840	(6,965)	4,875	1,370	3,505	12,724	40	12,764	7,103	5,661
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162		6,965	6,965	9,234	(2,269)		250	250		250
Management Fee - ESC & CTSA Transportation Program	11-000-270-350						600		600		600
Other Purchased Professional & Technical Services	11-000-270-390	1,400		1,400	750	650	1,400		1,400	1,006	394
Cleaning, Repair & Maintenance Services	11-000-270-420	42,000	(2,200)	39,800	35,749	4,051	42,000	(13,166)	28,834	28,252	582
Lease Purchase Payments - School Buses	11-000-270-443	35,000		35,000	32,085	2,915	14,000	3,000	17,000	16,054	946
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	1,000		1,000		1,000	1,000		1,000		1,000
Contracted Services - (Regular Students) - ESCs	11-000-270-517	28,500	33,900	62,400	54,979	7,421	28,500		28,500	27,685	815
Contracted Services - (Special Education Students) - ESCs & CTASs	11-000-270-518	19,200	(16,500)	2,700	2,447	253	19,200		19,200		19,200
Contracted Services - Aid in Lieu of Payments	11-000-270-503	6,000	2,150	8,150	8,122	28	6,000	(1,000)	5,000	2,785	2,215
Miscellaneous Purchased Services - Transportation	11-000-270-593	11,900	2,200	14,100	13,677	423	13,180		13,180	12,770	410
General Supplies	11-000-270-610	1,000	(789)	211	211		1,000		1,000	611	389
Transportation Supplies	11-000-270-615	111,800	(18,761)	93,039	80,589	12,450	111,800		111,800	81,323	30,477
Other Objects	11-000-270-800	1,750		1,750	1,712	38	1,750		1,750	1,581	169
<b>Total Student Transportation Services</b>		<b>623,535</b>		<b>623,535</b>	<b>581,363</b>	<b>42,172</b>	<b>596,710</b>	<b>(10,936)</b>	<b>585,774</b>	<b>520,973</b>	<b>64,801</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)					
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL						
Allocated Benefits Employee Benefits:																
Operation & Maintenance of Plant Services - Employee Benefits:																
	Social Security Contributions	11-000-260-220						27,962	(27,962)							
	Health Benefits	11-000-260-270					157,992	(157,992)								
<b>Total Operation &amp; Maintenance of Plant Services - Employee Benefits</b>							<b>185,954</b>	<b>(185,954)</b>								
Student Transportation Services - Employee Benefits:																
	Social Security Benefits	11-000-270-220	27,937	27,937	276	27,661	35,250		35,250	31,756	3,494					
	Other Retirement Contributions-															
	Regular	11-000-270-241	45,000	45,000		45,000	43,943	(43,900)	43		43					
	Workmen's Compensation	11-000-270-260	23,000	23,000	23,000		23,000		23,000	23,000						
	Health Benefits	11-000-270-270	158,772	102,000	260,772	232,981	27,791	231,598	23,396	254,994	254,991	3				
	Other Employee Benefits	11-000-270-290	6,150		6,150	1,070	5,080	6,150	(5,330)	820	405	415				
<b>Total Student Transportation Services - Employee Benefits</b>							<b>260,859</b>	<b>102,000</b>	<b>362,859</b>	<b>257,327</b>	<b>105,532</b>	<b>339,941</b>	<b>(25,834)</b>	<b>314,107</b>	<b>310,152</b>	<b>3,955</b>
<b>Total Allocated Benefits - Employee Benefits</b>							<b>260,859</b>	<b>102,000</b>	<b>362,859</b>	<b>257,327</b>	<b>105,532</b>	<b>525,895</b>	<b>(211,788)</b>	<b>314,107</b>	<b>310,152</b>	<b>3,955</b>
Unallocated Benefits Employee Benefits:																
	Social Security Contributions	11-000-291-220	178,083	1	178,084	155,927	22,157	141,233	27,962	169,195	134,779	34,416				
	Other Retirement Contributions-															
	Regular	11-000-291-241	120,000	(30,100)	89,900	51,560	38,340	99,125		99,125	99,125					
	Workmen's Compensation	11-000-291-260	38,438		38,438	38,438		41,260		41,260	40,535	725				
	Health Benefits	11-000-291-270	2,202,337	(102,000)	2,100,337	1,786,310	314,027	1,916,745	83,536	2,000,281	1,687,649	312,632				
	Tuition Reimbursements	11-000-291-280	59,200		59,200	19,227	39,973	54,700		54,700	22,358	32,342				
	Other Employee Benefits	11-000-291-290	150,000	100	150,100	150,037	63	150,000		150,000	134,031	15,969				
<b>Total Unallocated Benefits - Employee Benefits</b>							<b>2,748,058</b>	<b>(131,999)</b>	<b>2,616,059</b>	<b>2,201,499</b>	<b>414,560</b>	<b>2,403,063</b>	<b>111,498</b>	<b>2,514,561</b>	<b>2,118,477</b>	<b>396,084</b>
Nonbudgeted:																
	On-Behalf TPAF Pension Contributions				596,158	(596,158)				434,433	(434,433)					
	Reimbursed TPAF Social Security Contributions				444,755	(444,755)				422,717	(422,717)					
<b>Total Undistributed Expenditures</b>							<b>7,357,953</b>	<b>(30,000)</b>	<b>7,327,953</b>	<b>7,317,929</b>	<b>10,024</b>	<b>7,376,999</b>	<b>(107,578)</b>	<b>7,269,421</b>	<b>7,123,211</b>	<b>146,210</b>
<b>Total Expenditures - Current Expense</b>							<b>12,568,994</b>		<b>12,568,994</b>	<b>12,581,698</b>	<b>(12,704)</b>	<b>12,424,651</b>	<b>16,628</b>	<b>12,441,279</b>	<b>12,254,311</b>	<b>186,968</b>

64

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Facilities Acquisition & Construction Services:										
Other Objects                   12-000-400-800	22,152		22,152	22,152		34,016		34,016	34,016	
Total Facilities Acquisition & Construction Services	22,152		22,152	22,152		34,016		34,016	34,016	
Assets Acquired Under Capital Leases (Nonbudgeted):										
Undistributed Expenditures:										
School Buses				46,975	(46,975)					
Total Assets Acquired Under Capital Leases (Nonbudgeted)				46,975	(46,975)					
Total Capital Outlay	22,152		22,152	69,127	(46,975)	34,016		34,016	34,016	
Total Expenditures	12,591,146		12,591,146	12,650,825	(59,679)	12,458,667	16,628	12,475,295	12,288,327	186,968
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	(405,953)		(405,953)	899,237	1,305,190	(650,000)	(16,628)	(666,628)	468,558	1,135,186
Other Financing Sources/(Uses):										
Capital Leases (Nonbudgeted)				46,975	46,975					
Total Other Financing Uses				46,975	46,975					
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(405,953)		(405,953)	946,212	1,352,165	(650,000)	(16,628)	(666,628)	468,558	1,135,186
Fund Balances, July 1	1,500,223		1,500,223	1,500,223		1,031,665		1,031,665	1,031,665	
Fund Balances, June 30	\$1,094,270	-	1,094,270	2,446,435	1,352,165	381,665	(16,628)	365,037	1,500,223	1,135,186

**RECAPITULATION OF FUND BALANCE**

Restricted Fund Balance:	
Capital Reserve	\$1,786
Emergency Reserve	100,000
Excess Surplus	801,666
Excess Surplus Designated for Subsequent Year's Expenditures	838,482
Assigned Fund Balance:	
Year-end Encumbrances	145,425
Designated for Subsequent Year's Expenditures	303,856
Unassigned Fund Balance	255,220
Subtotal	2,446,435
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	(538,950)
Fund Balance Per Governmental Funds (GAAP)	<u>\$1,907,485</u>

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

	ACCOUNT NUMBER	JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET ACTUAL	
Federal Sources:					
Education Jobs Fund	18-xxx	\$193,767		193,767	193,767
Total Federal Sources		193,767		193,767	193,767
Total Revenues		193,767		193,767	193,767
Expenditures:					
Multiple Disabilities:					
Other Salaries for Instruction	18-212-100-106	22,033		22,033	22,033
Multiple Disabilities:					
Other Salaries for Instruction	18-213-100-106	139,895		139,895	139,895
Multiple Disabilities:					
Other Salaries for Instruction	18-215-100-106	31,839		31,839	31,839
Total Other Instruction		193,767		193,767	193,767
Total Expenditures		193,767		193,767	193,767
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		\$ -	-	-	-

**TABERNAACLE TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>										
Federal Sources	\$226,382	95,091	321,473	273,370	48,103	198,017	200,704	398,721	397,067	1,654
Local Sources		25,000	25,000	20,329	4,671		23,945	23,945	23,945	
<b>Total Revenues</b>	<b>226,382</b>	<b>120,091</b>	<b>346,473</b>	<b>293,699</b>	<b>52,774</b>	<b>198,017</b>	<b>224,649</b>	<b>422,666</b>	<b>421,012</b>	<b>1,654</b>
<b>EXPENDITURES:</b>										
<b>Instruction:</b>										
Salaries of Teachers	62,544	30,978	93,522	77,216	16,306	194,131	(72,695)	121,436	121,436	
Other Salaries for Instruction							16,325	16,325	16,325	
Purchased Professional & Technical Services	12,334		12,334	2,476	9,858	886	109,173	110,059	110,059	
General Supplies	29,343		29,343	21,367	7,976	3,000	31,984	34,984	34,667	317
Tuition	45,000		45,000	60,637	(15,637)		35,000	35,000	35,000	
Other Objects							25,167	25,167	25,167	
<b>Total Instruction</b>	<b>149,221</b>	<b>30,978</b>	<b>180,199</b>	<b>161,696</b>	<b>18,503</b>	<b>198,017</b>	<b>144,954</b>	<b>342,971</b>	<b>342,654</b>	<b>317</b>
<b>Support Services:</b>										
Personal Services - Employee Benefits		35,996	35,996	22,320	13,676		16,318	16,318	14,981	1,337
Purchased Professional - Educational Services	70,000	32,894	102,894	97,382	5,512		36,819	36,819	36,819	
Miscellaneous Purchased Services	7,161	9,723	16,884	6,713	10,171		4,972	4,972	4,972	
Supplies & Materials		10,500	10,500	5,588	4,912		21,586	21,586	21,586	
<b>Total Support Services</b>	<b>77,161</b>	<b>89,113</b>	<b>166,274</b>	<b>132,003</b>	<b>34,271</b>		<b>79,695</b>	<b>79,695</b>	<b>78,358</b>	<b>1,337</b>
<b>Total Expenditures</b>	<b>226,382</b>	<b>120,091</b>	<b>346,473</b>	<b>293,699</b>	<b>52,774</b>	<b>198,017</b>	<b>224,649</b>	<b>422,666</b>	<b>421,012</b>	<b>1,654</b>
<b>Total Outflows</b>	<b>226,382</b>	<b>120,091</b>	<b>346,473</b>	<b>293,699</b>	<b>52,774</b>	<b>198,017</b>	<b>224,649</b>	<b>422,666</b>	<b>421,012</b>	<b>1,654</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures &amp; Other Financing Sources/(Uses)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule	\$13,550,062	293,699
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		(9,763)
State Aid Payment Recognized for Budgetary Statements Not Recognized for GAAP Purposes		
2010-2011	507,965	
2011-2012	(538,950)	
	\$13,519,077	283,936
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	\$13,519,077	283,936
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$12,650,825	293,699
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
		(9,763)
Total Expenditures as Reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	\$12,650,825	283,936



**OTHER SUPPLEMENTARY INFORMATION**



D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
 SPECIAL REVENUE FUND  
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
 BUDGETARY BASIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (With Comparative Totals for June 30, 2011)**

	NO CHILD LEFT BEHIND					
	2011/2012	2010/2011	2008/2009 TITLE II D	2011/2012	2010/2011	2008/2009 TITLE IV
	TITLE I PART A	TITLE I PART A		TITLE II PART A	TITLE II PART A	
Revenues:						
Federal Sources	\$41,764	6,591	322	23,132	5,033	1,756
Local Sources						
Total Revenues	<u>\$41,764</u>	<u>6,591</u>	<u>322</u>	<u>23,132</u>	<u>5,033</u>	<u>1,756</u>
Expenditures:						
Instruction:						
Salaries of Teachers	\$27,945	6,591	322	18,099	5,033	1,756
Other Salaries for Instruction						
Purchased Professional & Technical Services	125					
General Supplies						
Tuition						
Other Objects						
Total Instruction	<u>28,070</u>	<u>6,591</u>	<u>322</u>	<u>18,099</u>	<u>5,033</u>	<u>1,756</u>
Support Services:						
Personal Services - Employee Benefits	5,800			5,033		
Purchased Professional - Educational Services	7,894					
Miscellaneous Purchased Services Supplies & Materials						
Total Support Services	<u>13,694</u>			<u>5,033</u>		
Total Expenditures	<u>\$41,764</u>	<u>6,591</u>	<u>322</u>	<u>23,132</u>	<u>5,033</u>	<u>1,756</u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	2011/2012		2009/2010	2010/2011	MATH GRANT
	I.D.E.A. - PART B PRESCHOOL	BASIC	I.D.E.A. B BASIC	I.D.E.A. B BASIC	
<b>Revenues:</b>					
Federal Sources	\$2,351	162,579	11,929	13,053	
Local Sources					20,329
<b>Total Revenues</b>	<b>\$2,351</b>	<b>162,579</b>	<b>11,929</b>	<b>13,053</b>	<b>20,329</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers		12,610			
Other Salaries for Instruction					
Purchased Professional & Technical Services	2,351				
General Supplies		21,367			
Tuition		60,637			
Other Objects					
<b>Total Instruction</b>	<b>2,351</b>	<b>94,614</b>			
<b>Support Services:</b>					
Personal Services - Employee Benefits		11,487			
Purchased Professional - Educational Services		44,177	11,929	13,053	20,329
Miscellaneous Purchased Services		6,713			
Supplies & Materials		5,588			
<b>Total Support Services</b>		<b>67,965</b>	<b>11,929</b>	<b>13,053</b>	<b>20,329</b>
<b>Total Expenditures</b>	<b>\$2,351</b>	<b>162,579</b>	<b>11,929</b>	<b>13,053</b>	<b>20,329</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	2009/2011		2012	2011
	ARRA I.D.E.A. - PART B			
	PRESCHOOL	BASIC		
<b>Revenues:</b>				
Federal Sources	\$2,069	2,791	273,370	397,067
Local Sources			20,329	23,945
<b>Total Revenues</b>	<b>\$2,069</b>	<b>2,791</b>	<b>293,699</b>	<b>421,012</b>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Salaries of Teachers	\$2,069	2,791	77,216	121,436
Other Salaries for Instruction				16,325
Purchased Professional & Technical Services			2,476	110,059
General Supplies			21,367	34,667
Tuition			60,637	35,000
Other Objects				25,167
<b>Total Instruction</b>	<b>2,069</b>	<b>2,791</b>	<b>161,696</b>	<b>342,654</b>
<b>Support Services:</b>				
Personal Services - Employee Benefits			22,320	14,981
Purchased Professional - Educational Services			97,382	36,819
Miscellaneous Purchased Services			6,713	4,972
Supplies & Materials			5,588	21,586
<b>Total Support Services</b>			<b>132,003</b>	<b>78,358</b>
<b>Total Expenditures</b>	<b>\$2,069</b>	<b>2,791</b>	<b>293,699</b>	<b>421,012</b>



## F. Capital Projects Fund



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE JUNE 30, 2012
			PRIOR YEARS	CURRENT YEAR	
Rehabilitation & Upgrade to Tabernacle Elementary School	2/1/2006	\$2,026,005	2,033,460		(7,455)
Rehabilitation & Upgrade to Kenneth R Olson Middle School	2/1/2006	7,717,975	7,252,077	8,884	457,014
Total		\$9,743,980	9,285,537	8,884	449,559

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Expenditures & Other Financing Uses:	
Construction Services	<u>\$8,884</u>
 Total Expenditures	 <u>8,884</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(8,884)
Fund Balance - Beginning	<u>458,443</u>
 Fund Balance - Ending	 <u><u>\$449,559</u></u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND  
PROJECT STATUS - BUDGETARY BASIS  
REHABILITATION AND UPGRADE OF TABERNACLE ELEMENTARY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources				
State Sources - SCC Grant	\$810,402		810,402	810,402
Bond Proceeds & Transfers	1,179,538		1,179,538	1,179,538
Transfer from Capital Reserves	36,065		36,065	36,065
<b>Total Revenues</b>	<b>2,026,005</b>		<b>2,026,005</b>	<b>2,026,005</b>
Expenditures & Other Financing Uses:				
Construction Services	1,638,277		1,638,277	1,630,822
General Supplies	62,247		62,247	62,247
Purchased Professional & Technical Services	330,660		330,660	330,660
Miscellaneous	2,276		2,276	2,276
<b>Total Expenditures</b>	<b>2,033,460</b>		<b>2,033,460</b>	<b>2,026,005</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(\$7,455)	-	(7,455)	-

**ADDITIONAL PROJECT INFORMATION**

Project Numbers	5130-060-05-1000
Grant Date	8/17/2004
Bond Authorization Date	2/1/2006
Bonds Authorized	\$1,179,538
Bonds Issued	\$1,179,538
Original Authorized Cost	\$2,026,005
Additional Authorized Cost	
Revised Authorized Cost	\$2,026,005
Percentage Increase Over Original Authorized Cost	
Percentage Completion	100.37%
Original Target Completion Date	Sept. 2007
Revised Target Completion Date	Sept. 2007

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND  
PROJECT STATUS - BUDGETARY BASIS  
REHABILITATION AND UPGRADE OF  
KENNETH R. OLSEN MIDDLE SCHOOLS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources				
State Sources - SCC Grant	\$3,087,190		3,087,190	3,087,190
Bond Proceeds & Transfers	4,493,462		4,493,462	4,493,462
Transfer from Capital Reserves	137,323		137,323	137,323
<b>Total Revenues</b>	<b>7,717,975</b>		<b>7,717,975</b>	<b>7,717,975</b>
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	1,526,951		1,526,951	1,526,951
Miscellaneous	33,517		33,517	33,517
Construction Services	5,591,597	8,884	5,600,481	6,057,495
General Supplies	94,117		94,117	94,117
Other Objects	5,895		5,895	5,895
<b>Total Expenditures</b>	<b>7,252,077</b>	<b>8,884</b>	<b>7,260,961</b>	<b>7,717,975</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$465,898	(8,884)	457,014	-

**ADDITIONAL PROJECT INFORMATION**

Project Numbers	5130-040-05-1000
Grant Date	8/17/2004
Bond Authorization Date	2/1/2006
Bonds Authorized	\$4,493,462
Bonds Issued	\$4,493,462
Original Authorized Cost	\$7,717,975
Additional Authorized Cost	
Revised Authorized Cost	\$7,717,975
Percentage Increase Over Original Authorized Cost	
Percentage Completion	94.08%
Original Target Completion Date	Sept. 2007
Revised Target Completion Date	Sept. 2007

## G. Proprietary Funds



## Enterprise Funds



**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF NET ASSETS**  
**AS OF JUNE 30, 2012**  
**(With Comparative Totals for 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
Current Assets:				
Cash & Cash Equivalents	\$41,427	1,277	42,704	46,955
Other Accounts Receivable				70
Intergovernmental Receivables:				
State	140		140	392
Federal	3,052		3,052	4,136
Due from General Fund	18,178		18,178	13,650
Inventories	8,187		8,187	6,871
Total Current Assets	70,984	1,277	72,261	72,074
Noncurrent Assets:				
Furniture, Machinery & Equipment	87,900		87,900	55,377
Less: Accumulated Depreciation	(57,996)		(57,996)	(55,377)
Total Noncurrent Assets	29,904		29,904	
Total Assets	100,888	1,277	102,165	72,074
LIABILITIES				
Current Liabilities:				
Accounts Payable	30,234		30,234	2,771
Deferred Revenue	1,535		1,535	
Due to Shamong Board of Education		486	486	486
Due to Tabernacle Board of Education		791	791	775
Total Liabilities	31,769	1,277	33,046	4,032
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	29,904		29,904	
Unrestricted	39,215		39,215	68,042
Total Net Assets	\$69,119	-	69,119	68,042

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
AS OF JUNE 30, 2012  
(With Comparative Totals for 2011)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$104,581		104,581	122,898
Daily Sales - Nonreimbursable Programs	76,031		76,031	71,575
Special Functions	1,037		1,037	1,076
Community Program Revenue				17,526
<b>Total Operating Revenues</b>	<b>181,649</b>		<b>181,649</b>	<b>213,075</b>
Operating Expenses:				
Salaries	103,498		103,498	108,631
Employee Benefits	19,536		19,536	18,965
Other Purchased Services	7,264		7,264	21,720
Supplies and Materials	6,607		6,607	5,983
Depreciation	2,619		2,619	189
Management Fee	23,460		23,460	23,000
Cost of Sales	95,672		95,672	98,286
<b>Total Operating Expenses</b>	<b>258,656</b>		<b>258,656</b>	<b>276,774</b>
<b>Operating Income/(Loss)</b>	<b>(77,007)</b>		<b>(77,007)</b>	<b>(63,699)</b>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	2,651		2,651	3,007
Federal Sources:				
National School Lunch Program	56,398		56,398	54,827
Food Distribution Program	18,557		18,557	15,728
Interest on Investments	478		478	629
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>78,084</b>		<b>78,084</b>	<b>74,191</b>
Change in Net Assets	1,077		1,077	10,492
Net Assets - Beginning of Year	68,042		68,042	57,550
<b>Net Assets - End of Year</b>	<b>\$69,119</b>	<b>-</b>	<b>69,119</b>	<b>68,042</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FOOD SERVICE ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2012  
(With Comparative Totals for 2011)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers	\$183,184	70	183,254	213,005
Payments to Employees	(103,498)		(103,498)	(108,631)
Payments for Employee Benefits	(19,536)		(19,536)	(18,965)
Payments to Suppliers	(85,528)	(2,755)	(88,283)	(144,521)
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(25,378)</b>	<b>(2,685)</b>	<b>(28,063)</b>	<b>(59,112)</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Interfund Receivable	(4,528)		(4,528)	
State Sources	2,903		2,903	2,927
Federal Sources	57,482		57,482	54,817
<b>Net Cash Provided/(Used) by Noncapital Noncapital Financing Activities</b>	<b>55,857</b>		<b>55,857</b>	<b>57,744</b>
<b>Cash Flows from Investing Activities:</b>				
Purchase of Capital Assets	(32,523)		(32,523)	
Interest on Investments	478		478	629
<b>Net Cash Provided by Investing Activities</b>	<b>(32,045)</b>		<b>(32,045)</b>	<b>629</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,566)</b>	<b>(2,685)</b>	<b>(4,251)</b>	<b>(739)</b>
Balances - Beginning of Year	42,993	3,962	46,955	47,694
<b>Balances - End of Year</b>	<b>\$41,427</b>	<b>1,277</b>	<b>42,704</b>	<b>46,955</b>

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

Operating Income/(Loss)	(\$77,007)		(77,007)	(63,699)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	2,619		2,619	189
Food Distribution Program - Commodities Received	18,557		18,557	15,728
Changes in Assets & Liabilities:				
(Increase)/Decrease in Inventories	(1,316)		(1,316)	175
Decrease in Accounts Receivable		70	70	(70)
Increase/(Decrease) in Accounts Payable	30,234	(2,771)	27,463	2,771
Increase/(Decrease) in Deferred Revenue	1,535		1,535	
Increase in Payable to Shamong BOE				486
Increase in Payable to Tabernacle BOE		16	16	(14,692)
<b>Total Adjustments</b>	<b>51,629</b>	<b>(2,685)</b>	<b>48,944</b>	<b>4,587</b>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(\$25,378)</b>	<b>(2,685)</b>	<b>(28,063)</b>	<b>(59,112)</b>



Internal Service Fund

Not Applicable



## H. Fiduciary Fund



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2012  
(With Comparative Totals for 2011)**

ASSETS	PRIVATE PURPOSE			2012	2011
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	AGENCY FUNDS		
Cash & Cash Equivalents	\$190,882	10,534	67,146	268,562	273,229
Total Assets	190,882	10,534	67,146	268,562	273,229
LIABILITIES					
Payroll Deductions & Withholdings			17,550	17,550	8,329
Unemployment Payable					1,030
Interfunds Payable	48,141		1,668	49,809	13,846
Due to Student Groups			47,928	47,928	51,155
Total Liabilities	48,141		67,146	115,287	74,360
NET ASSETS					
Held in Trust for Unemployment Claims & Other Purposes	142,741			142,741	187,480
Reserved for Scholarships		10,534		10,534	11,389
Total Net Assets	\$142,741	10,534		153,275	198,869

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for 2011)**

ADDITIONS	PRIVATE PURPOSE		2012	2011
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND		
Contributions:				
Plan Members				12,571
Other		500	500	800
Total Contributions		500	500	13,371
Investment Earnings:				
Interest	\$2,481	145	2,626	2,695
Net Investment Earnings	2,481	145	2,626	2,695
Total Additions	2,481	645	3,126	16,066
DEDUCTIONS				
Unemployment Claims	47,220		47,220	56,149
Scholarships Awarded		1,500	1,500	1,500
Total Deductions	47,220	1,500	48,720	57,649
Change in Net Assets	(44,739)	(855)	(45,594)	(41,583)
Net Assets - Beginning of the Year	187,480	11,389	198,869	240,452
Net Assets - End of the Year	\$142,741	10,534	153,275	198,869

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012**

	BALANCE JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2012
Elementary Schools:				
4th Grade & Booster Club	\$13,580	13,179	19,071	7,688
Tabernacle Elementary School	19,018	14,767	10,294	23,491
Middle School:				
8th Grade Committee	11,414	26,919	33,944	4,389
Kenneth R. Olson Middle School	7,143	20,542	15,325	12,360
<b>Total Liabilities</b>	<b>\$51,155</b>	<b>75,407</b>	<b>78,634</b>	<b>47,928</b>

**PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012**

ASSETS	BALANCE JULY 1, 2011	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2012
Cash & Cash Equivalents	\$9,997	10,738,916	10,729,695	19,218
<b>Total Assets</b>	<b>\$9,997</b>	<b>10,738,916</b>	<b>10,729,695</b>	<b>19,218</b>
<b>LIABILITIES</b>				
Payroll Deductions & Withholdings	\$8,329	10,738,916	10,729,695	17,550
Interfund Payable	1,668			1,668
<b>Total Liabilities</b>	<b>\$9,997</b>	<b>10,738,916</b>	<b>10,729,695</b>	<b>19,218</b>



## I. Long-Term Debt



**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
JUNE 30, 2012**

PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2011	RETIRED	BALANCE JUNE 30, 2012						
			DATE	AMOUNT										
2004 Refunding Bonds	10/01/2003	\$5,335,000	09/01/2012	\$335,000	3.500%	\$3,795,000	340,000	3,455,000						
			09/01/2013	330,000	3.500%									
			09/01/2014	350,000	3.700%									
			09/01/2015	345,000	3.800%									
			09/01/2016	340,000	3.850%									
			09/01/2017	355,000	4.000%									
			09/01/2018	360,000	4.000%									
			09/01/2019	355,000	4.100%									
			09/01/2020	345,000	4.200%									
			09/01/2021	340,000	4.300%									
2006 Various Improvements	2/1/05	5,673,000	03/01/2013	255,000	4.000%	4,443,000	240,000	4,203,000						
			03/01/2014	265,000	4.000%									
			03/01/2015	280,000	4.000%									
			03/01/2016	290,000	4.000%									
			03/01/2017	305,000	4.000%									
			03/01/2018	320,000	4.000%									
			03/01/2019	335,000	4.000%									
			03/01/2020	360,000	4.000%									
			03/01/2021	360,000	4.000%									
			03/01/2022	360,000	4.000%									
			03/01/2023	360,000	4.050%									
			03/01/2024	360,000	4.050%									
			03/01/2025	353,000	4.050%									
			Total											
									<u>\$8,238,000</u>	<u>580,000</u>	<u>7,658,000</u>			

TABERNACLE TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2012

83

SERIES	DATE OF LEASE	TERM OF LEASE	AMOUNT OF ORIGINAL LEASE		AMOUNT OUTSTANDING JUNE 30, 2011	ADJUSTMENT/ ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2012
			PRINCIPAL	INTEREST				
Ricoh Copiers	3/27/09	5 Years	198,648		\$96,013		48,006	48,007
School Bus	12/20/10	5 Years	74,535	5,735		58,481	13,802	44,679
School Bus	5/1/12	3 Years	46,975	1,118		46,975	16,031	30,944
Total					\$96,013	105,456	77,839	123,630

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Revenues:</b>											
<b>Local Sources:</b>											
Local Tax Levy	40-1210	\$787,102		787,102	787,102		798,527		798,527	798,527	
Interest	40-1510										
<b>State Sources:</b>											
Debt Service Aid Type II	40-3160	111,370		111,370	111,370		115,061		115,061	115,061	
<b>Total Revenues</b>		<b>898,472</b>		<b>898,472</b>	<b>898,472</b>		<b>913,588</b>		<b>913,588</b>	<b>913,588</b>	
<b>Expenditures:</b>											
<b>Regular Debt Service:</b>											
Interest	40-701-510-834	318,472		318,472	318,472		338,588		338,588	338,587	1
Redemption of Principal	40-701-510-910	580,000		580,000	580,000		575,000		575,000	575,000	
<b>Total Regular Debt Service</b>		<b>898,472</b>		<b>898,472</b>	<b>898,472</b>		<b>913,588</b>		<b>913,588</b>	<b>913,587</b>	<b>1</b>
<b>Total Expenditures</b>		<b>898,472</b>		<b>898,472</b>	<b>898,472</b>		<b>913,588</b>		<b>913,588</b>	<b>913,587</b>	<b>1</b>
<b>Other Financing Sources/(Uses):</b>											
<b>Operating Transfers in:</b>											
Interest Earned in Capital Projects Fund	40-5200									2,149	2,149
<b>Excess/(Deficiency) of Revenues &amp; Other Financing Sources Over/ (Under) Expenditures</b>										2,150	2,150
Fund Balance, July 1		(12,213)		(12,213)	(12,213)		(14,363)		(14,363)	(14,363)	
Fund Balance, June 30		(\$12,213)	-	(12,213)	(12,213)		(14,363)	-	(14,363)	(12,213)	2,150



**STATISTICAL SECTION (Unaudited)**



**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**NET ASSETS BY COMPONENT**  
**LAST NINE FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental Activities:</b>									
Invested in Capital Assets, Net of Related Debt	\$6,846,584	7,252,242	7,242,312	6,728,882	7,369,581	7,826,571	5,131,574	4,438,205	4,245,657
Restricted	1,980,119	1,290,490	729,758	2,028,103	2,022,046	4,274,475	6,171,572	6,280,895	863,473
Unrestricted	(33)	(184,982)	130,545	406,059	818,625	(1,785,540)	(1,495,959)	(1,321,783)	80,747
<b>Total Governmental Activities Net Assets</b>	<u>\$8,826,670</u>	<u>8,357,750</u>	<u>8,102,615</u>	<u>9,163,044</u>	<u>10,210,252</u>	<u>10,315,506</u>	<u>9,807,187</u>	<u>9,397,317</u>	<u>5,189,877</u>
<b>Business-Type Activities:</b>									
Invested in Capital Assets, Net of Related Debt	\$29,904		189	984	1,779	2,574	3,369	4,164	2,270
Unrestricted	39,215	68,042	57,361	52,065	31,302	33,658	20,253	18,900	18,709
<b>Total Business-Type Activities Net Assets</b>	<u>\$69,119</u>	<u>68,042</u>	<u>57,550</u>	<u>53,049</u>	<u>33,081</u>	<u>36,232</u>	<u>23,622</u>	<u>23,064</u>	<u>20,979</u>
<b>District-Wide:</b>									
Invested in Capital Assets, Net of Related Debt	\$6,876,488	7,252,242	7,242,501	6,729,866	7,371,360	7,829,145	5,134,943	4,442,369	4,247,927
Restricted	1,980,119	1,290,490	729,758	2,028,103	2,022,046	4,274,475	6,171,572	6,280,895	863,473
Unrestricted	39,182	(116,940)	187,906	458,124	849,927	(1,751,882)	(1,475,706)	(1,302,883)	99,456
<b>Total District Net Assets</b>	<u>\$8,895,789</u>	<u>8,425,792</u>	<u>8,160,165</u>	<u>9,216,093</u>	<u>10,243,333</u>	<u>10,351,738</u>	<u>9,830,809</u>	<u>9,420,381</u>	<u>5,210,856</u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDING JUNE 30,

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$4,943,421	4,797,415	5,089,415	5,128,843	5,906,561	5,905,917	5,509,095	5,212,427	5,057,755	5,435,700
Special Education	1,530,608	1,506,929	1,637,390	1,565,207	1,643,988	1,441,042	1,546,040	1,397,606	1,513,409	1,420,229
Other Special Education	409,818	445,891	447,050	434,065	453,781	338,873	237,180	277,673	191,742	231,523
Other Instruction	120,367	127,374	115,932	96,861	79,291	79,441	56,690	71,671	55,633	67,757
Adult/Continuing Education Programs	3,920	9,131	9,285	10,359	7,601	1,353	2,735	3,722	2,726	3,257
Support Services:										
Tuition	19,508	44,072	63,339	5,280	6,148	22,381	2,309	32,373	70,922	9,929
Student & Instruction Related Services	2,169,711	2,117,808	2,167,241	2,041,717	1,955,614	1,652,634	1,429,966	1,456,887	1,342,790	1,392,403
School Administrative Services	747,647	715,648	761,039	737,234	741,054	534,743	459,048			480,486
General & Business Administrative Services	341,410	353,877	381,803	387,935	459,005	424,724	379,523	1,199,251	1,227,679	627,836
Central Services	331,954	367,201	390,226	396,558	398,756	382,599	368,356			
Plant Operations & Maintenance	1,342,494	1,396,902	1,453,390	1,449,532	1,409,080	1,219,558	1,281,878	1,151,775	950,389	1,015,559
Pupil Transportation	932,392	747,688	729,917	745,176	737,023	655,323	594,178	443,835	742,394	728,432
Interest on Long-Term Debt	333,628	365,898	349,244	366,445	379,798	395,636	412,826	303,349	209,982	313,140
Reduction in Compensated Absences	-	246,376	-73,136	-35,268	59,232		86,217		(123,215)	
Unallocated Amortization	38,761	38,762	38,762	38,762	38,762	38,762	38,762	37,007	38,280	3,748
Capital Asset Adjustment Due to Appraisal	396,835									
Unallocated Depreciation	570,090	635,000	632,462	632,462	613,489	561,476	592,438	523,331	546,816	29,127
<b>Total Governmental Activities Expenses</b>	<b>14,232,565</b>	<b>13,915,972</b>	<b>14,193,359</b>	<b>14,001,169</b>	<b>14,889,183</b>	<b>13,654,462</b>	<b>12,997,243</b>	<b>12,110,907</b>	<b>11,827,302</b>	<b>11,759,126</b>
Business-Type Activities:										
Food Service	258,656	254,928	278,018	279,645	301,433	305,850	311,064	361,902	387,887	377,334
Community Program		21,846	13,515	9,907	22,522	24,198	21,401	30,774	20,697	29,797
<b>Total Business-Type Activities Expenses</b>	<b>258,656</b>	<b>276,774</b>	<b>291,533</b>	<b>289,552</b>	<b>323,955</b>	<b>330,048</b>	<b>332,465</b>	<b>392,676</b>	<b>408,584</b>	<b>407,131</b>
<b>Total District Expenses</b>	<b>\$14,491,221</b>	<b>14,192,746</b>	<b>14,484,892</b>	<b>14,290,721</b>	<b>15,213,138</b>	<b>13,984,510</b>	<b>13,329,708</b>	<b>12,503,583</b>	<b>12,235,886</b>	<b>12,166,257</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Operating Grants & Contributions	\$395,306	540,640	442,231	519,555	488,875	363,857	420,025	408,662	378,552	348,221
Total Governmental Activities										
Program Revenues	395,306	540,640	442,231	519,555	488,875	363,857	420,025	408,662	378,552	348,221
Business-Type Activities:										
Charges for Services:										
Food Service	181,649	195,549	214,326	235,228	238,135	237,487	237,456	248,001	259,599	249,668
Community Program		17,526	13,874	13,683	22,082	21,870	20,752	31,646	19,510	29,775
Operating Grants & Contributions	77,606	73,562	67,448	60,503	59,513	52,564	50,633	53,287	39,395	29,696
Total Business Type Activities										
Program Revenues	259,255	286,637	295,648	309,414	319,730	311,921	308,841	332,934	318,504	309,139
Total District Program Revenues	\$654,561	827,277	737,879	828,969	808,605	675,778	728,866	741,596	697,056	657,360
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(\$13,837,259)	(13,375,332)	(13,751,128)	(13,481,614)	(14,400,308)	(13,290,605)	(12,577,218)	(11,702,245)	(11,448,750)	(11,410,905)
Business-Type Activities	599	9,863	4,115	19,862	(4,225)	(18,127)	(23,624)	(59,742)	(90,080)	(97,992)
Total District-Wide Net Expense	(\$13,836,660)	(13,365,469)	(13,747,013)	(13,461,752)	(14,404,533)	(13,308,732)	(12,600,842)	(11,761,987)	(11,538,830)	(11,508,897)

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues & Other Changes in Net Assets:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$6,439,785	6,460,884	6,438,192	6,267,454	6,111,552	5,802,533	5,502,251	5,369,769	4,993,220	4,607,070
Taxes Levied for Debt Service	787,102	798,527	737,458	693,803	733,988	709,250	628,003	209,708	383,475	384,743
Unrestricted Grants & Contributions	6,663,788	6,127,140	5,684,517	6,403,747	7,256,059	6,984,290	6,502,170	10,172,932	6,057,749	5,640,068
Tuition Received	311,182	151,921	83,717	107,928	43,901	14,964				
Investment Earnings							14,239	19,626	8,483	14,580
Miscellaneous Income	104,322	91,995	79,948	73,942	149,810	179,167	330,578	199,131	79,302	108,497
Transfers					(256)	(29,337)	(23,428)	(61,481)	(86,603)	(95,316)
Cancellation of Prior Year Accounts :										
Receivable				(12,930)						
Contributed Capital							33,275			
Reduction in Compensated Absences Payable						138,057				
<b>Total Governmental Activities</b>	<b>14,306,179</b>	<b>13,630,467</b>	<b>13,023,832</b>	<b>13,533,944</b>	<b>14,295,054</b>	<b>13,798,924</b>	<b>12,987,088</b>	<b>15,909,685</b>	<b>11,435,626</b>	<b>10,659,642</b>
Business-Type Activities:										
Investment Earnings	\$478	629	386	106	818	1,400	754	346	102	191
Transfers					256	29,337	23,428	61,481	86,603	95,316
<b>Total Business-Type Activities</b>	<b>478</b>	<b>629</b>	<b>386</b>	<b>106</b>	<b>1,074</b>	<b>30,737</b>	<b>24,182</b>	<b>61,827</b>	<b>86,705</b>	<b>95,507</b>
<b>Total District-Wide</b>	<b>\$14,306,657</b>	<b>13,631,096</b>	<b>13,024,218</b>	<b>13,534,050</b>	<b>14,296,128</b>	<b>13,829,661</b>	<b>13,011,270</b>	<b>15,971,512</b>	<b>11,522,331</b>	<b>10,755,149</b>
Change in Net Assets:										
Governmental Activities	\$468,920	255,135	(727,296)	52,330	(105,254)	508,319	409,870	4,207,440	(13,124)	(751,263)
Business-Type Activities	1,077	10,492	4,501	19,968	(3,151)	12,610	558	2,085	(3,375)	(2,485)
<b>Total District</b>	<b>\$469,997</b>	<b>265,627</b>	<b>(722,795)</b>	<b>72,298</b>	<b>(108,405)</b>	<b>520,929</b>	<b>410,428</b>	<b>4,209,525</b>	<b>(16,499)</b>	<b>(753,748)</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**FUND BALANCES AND GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:										
Restricted	\$1,741,934	950,417	1,028,564	1,890,016	760,053	2,128,888	828,958	564,428	369,566	185,518
Assigned	165,551	41,841	(577,770)	(320,175)	720,743	(498,758)	500,642	438,817	353,267	564,016
<b>Total General Fund</b>	<b>\$1,907,485</b>	<b>992,258</b>	<b>450,794</b>	<b>1,569,841</b>	<b>1,480,796</b>	<b>1,630,130</b>	<b>1,329,600</b>	<b>1,003,245</b>	<b>722,833</b>	<b>749,534</b>
All Other Governmental Funds:										
Reserved:				498,959	354,555	38,444	3,269,516	1,412,295		112,234
Restricted for:										
Special Revenue Fund										(2,155)
Capital Projects Fund	\$449,559	458,443	478,419	461,845	1,081,624	2,204,288	2,234,514	7,905,465		114,118
Unassigned:										
Debt Service Fund	(12,213)	(12,213)	(14,363)		21,250	70,446	38,444	87,654	186,993	2,379
<b>Total All Other Governmental Funds</b>	<b>\$437,346</b>	<b>446,230</b>	<b>464,056</b>	<b>960,804</b>	<b>1,457,429</b>	<b>2,313,178</b>	<b>5,542,474</b>	<b>9,405,414</b>	<b>186,993</b>	<b>226,576</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues</b>										
Tax Levy	\$7,226,887	7,259,411	7,175,650	6,961,257	6,845,540	6,511,783	6,130,254	5,579,477	5,376,695	4,991,813
Tuition Charges	311,182	151,921	83,717	107,928	43,901	14,964	14,239	24,763	30,214	49,678
Interest Earnings		2,149	645	6,014	31,776	80,888	180,148	77,529	1,996	13,151
Miscellaneous	104,322	89,846	79,303	67,928	118,034	98,279	150,430	78,653	55,576	60,248
State Sources	6,581,391	6,242,201	5,173,646	6,635,390	7,480,811	7,125,012	6,647,316	10,321,984	6,208,532	5,769,880
Federal Sources	457,374	401,634	927,673	287,912	264,123	223,135	274,879	259,610	227,769	218,409
Local Sources	20,329	23,945	25,429							
<b>Total Revenue</b>	<b>14,701,485</b>	<b>14,171,107</b>	<b>13,466,063</b>	<b>14,066,429</b>	<b>14,784,185</b>	<b>14,054,061</b>	<b>13,397,266</b>	<b>16,342,016</b>	<b>11,900,782</b>	<b>11,103,179</b>
<b>Expenditures</b>										
Instruction:										
Regular Instruction	4,210,787	4,249,248	4,470,840	4,551,866	4,851,448	4,169,560	4,116,288	3,806,890	3,769,560	3,922,294
Special Education Instruction	919,054	870,902	998,757	938,948	969,379	980,032	935,271	1,038,849	1,113,703	1,085,958
Other Special Instruction	224,229	269,475	284,904	249,951	298,633	229,685	237,180	198,095	181,012	179,803
Other Instruction	61,632	83,127	72,385	69,847	48,475	47,302	56,690	52,991	53,047	54,283
Adult/Continuing Education		5,569	5,569	5,447	7,601		2,735	2,655	2,578	2,455
Support Services:										
Tuition	19,508	44,072	63,339	5,280	6,148	22,381	2,309	32,373	70,922	9,929
Student & Instruction Related Services	1,380,107	1,347,447	1,399,172	1,347,997	1,222,073	1,173,585	1,108,831	1,084,565	1,061,933	1,097,439
School Administrative Services	459,496	450,348	462,783	461,380	482,553	404,888	378,734	362,207	344,667	333,972
General & Business Administration Services	310,631	282,967	321,053	309,165	375,029	323,067	354,271	356,441	646,033	550,992
Central Services	191,611	221,865	239,603	251,044	246,625	269,156	278,014	231,733		
Plant Operations & Maintenance	1,007,477	1,048,118	1,128,000	1,143,603	1,082,797	990,984	1,100,572	973,544	950,389	893,571
Pupil Transportation	581,363	520,973	521,010	571,809	570,259	546,644	581,544	621,941	528,365	669,690
Employee Benefits	3,499,739	3,285,779	3,363,447	3,171,591	3,734,581	3,622,815	2,923,525	2,710,500	2,578,832	2,015,529
Capital Outlay	78,011	53,992	516,056	670,789	1,040,306	3,344,424	4,030,548	696,788	322,285	197,222
Debt Service:										
Principal	580,000	575,000	545,000	540,000	540,000	510,000	495,000	315,000	225,000	225,000
Interest & Other Charges	318,472	338,587	356,807	371,010	383,955	400,045	437,198	216,628	242,481	317,171
<b>Total Expenditures</b>	<b>13,842,117</b>	<b>13,647,469</b>	<b>14,748,725</b>	<b>14,659,727</b>	<b>15,859,862</b>	<b>17,034,568</b>	<b>17,038,710</b>	<b>12,701,200</b>	<b>12,090,807</b>	<b>11,555,308</b>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Excess (Deficiency) of Revenues Over/(Under) Expenditures	859,368	523,638	(1,282,662)	(593,298)	(1,075,677)	(2,980,507)	(3,641,444)	3,640,816	(190,025)	(452,129)
<b>Other Financing Sources/(Uses):</b>										
Proceeds from Borrowing				198,648	70,850	81,078	128,287	5,919,498	4,955,344	151,358
Payments to Escrow Agent									(4,745,000)	
Transfers in		2,149	626	6,009	31,750	77,898	177,492	250,103	123,494	1,423
Transfers Out		(2,149)	(626)	(6,009)	(32,006)	(107,235)	(200,920)	(311,584)	(210,097)	(96,739)
Assets Aquired Under Capital Leases	46,975									
Cancellation of Prior Year Accounts Receivable				(12,930)						
<b>Total Other Financing Sources/ (Uses)</b>	<b>46,975</b>			<b>185,718</b>	<b>70,594</b>	<b>51,741</b>	<b>104,859</b>	<b>5,858,017</b>	<b>123,741</b>	<b>56,042</b>
<b>Net Change in Fund Balances</b>	<b>\$906,343</b>	<b>523,638</b>	<b>(1,282,662)</b>	<b>(407,580)</b>	<b>(1,005,083)</b>	<b>(2,928,766)</b>	<b>(3,536,585)</b>	<b>9,498,833</b>	<b>(66,284)</b>	<b>(396,087)</b>
Debt Service as a Percentage of Noncapital Expenditures	6.528%	6.721%	6.336%	6.512%	6.235%	6.647%	7.166%	4.429%	3.972%	4.773%

Source: District Records

**TABERNACLE TOWNSHIP BOARD OF EDUCATION**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	RENTALS	PRIOR YEAR REFUNDS	MISCELLANEOUS	TOTAL
2012	\$35,364	311,182	37,000		31,958	415,504
2011	21,578	151,921	37,000		31,268	241,767
2010	27,799	83,717	37,000		14,523	163,039
2009	17,076	107,928	37,000		13,857	175,861
2008	64,448	43,901	37,000		16,612	161,961
2007	50,675	14,964	37,000		10,647	113,286
2006	55,659	14,239	37,000	7,320	50,456	164,674
2005	19,626	24,763	37,000		55,327	136,716
2004	8,483	39,153	37,000		2,353	86,989
2003	12,875	49,678	37,000		21,819	121,372

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2012	\$8,517,000	686,007,600	19,298,800	2,921,400	21,868,200	779,100	739,392,100	914,672	740,306,772	1.602	759,811,502
2011	8,955,100	688,883,800	16,905,100	2,948,300	21,064,400	779,100	739,535,800	922,000	740,457,800	1.614	788,894,651
2010	9,204,600	691,739,700	16,903,500	2,949,300	21,463,200	779,100	743,039,400	1,147,709	744,187,109	1.587	821,321,385
2009	9,823,200	688,326,300	16,922,300	2,968,600	21,185,900	779,100	740,005,400	1,118,777	741,124,177	1.582	864,849,961
2008	10,979,800	680,403,900	17,835,400	2,739,800	19,451,500	779,100	732,189,500	1,042,750	733,232,250	1.588	843,737,175
2007	11,627,800	674,891,900	17,845,000	2,736,600	19,572,400	779,100	727,452,800	1,046,844	728,499,644	1.576	780,814,101
2006	12,507,600	668,524,000	18,285,900	2,735,500	19,187,800	779,100	722,019,900	1,063,437	723,083,337	1.512	678,250,458
2005	6,938,000	357,397,800	10,171,300	1,793,250	9,492,700	433,600	386,226,650	755,761	386,982,411	1.585	601,824,061
2004	5,613,000	354,543,000	10,318,300	1,810,050	9,253,000	433,600	381,970,950	883,510	382,854,460	1.458	520,640,482
2003	5,752,100	350,945,000	10,010,200	1,798,750	9,249,500	433,600	378,189,150	1,049,150	379,238,300	1.417	467,953,152

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 (Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				FIRE DISTRICT	TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF TABERNACLE	BURLINGTON COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE		
2012	0.984	0.618	1.602	0.237	0.317	0.031	0.041	0.061	2.289
2011	0.978	0.636	1.614	0.237	0.328	0.032	0.043	0.044	2.298
2010	0.975	0.612	1.587	0.237	0.342	0.033	0.045	0.062	2.306
2009	0.969	0.613	1.582	0.237	0.362	0.035	0.047	0.060	2.323
2008	0.950	0.638	1.588	0.238	0.367	0.034	0.047	0.059	2.333
2007	0.940	0.636	1.576	0.213	0.373	0.035	0.043	0.053	2.293
2006	0.900	0.612	1.512	0.183	0.275	0.032	0.038	0.048	2.088
2005	1.585	1.053	2.638	0.308	0.596	0.052	0.062	0.084	3.740
2004	1.458	1.009	2.467	0.308	0.537	0.046	0.055	0.078	3.491
2003	1.417	0.933	2.350	0.276	0.537	0.042	0.050	0.060	3.315

Source: Municipal Tax Collector

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2012	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
Murphy's Market	\$2,400,200	0.33%
Tabernacle Equities	1,675,100	0.23%
Individual Taxpayer #1	1,189,700	0.16%
Bell Atlantic Property Tax Department	1,118,700	0.15%
Individual Taxpayer #2	1,085,900	0.15%
Individual Taxpayer #3	1,023,000	0.14%
Individual Taxpayer #4	1,020,700	0.14%
Individual Taxpayer #5	1,000,000	0.14%
Individual Taxpayer #6	906,500	0.13%
Individual Taxpayer #7	848,000	0.12%
Total	\$12,267,800	1.70%

TAXPAYER	2003	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2012	\$7,226,887	7,226,887	100.00%
2011	7,259,411	7,259,411	100.00%
2010	7,175,650	7,175,650	100.00%
2009	6,961,257	6,961,257	100.00%
2008	6,845,540	6,845,540	100.00%
2007	6,511,783	6,511,783	100.00%
2006	6,130,254	6,130,254	100.00%
2005	5,579,477	5,579,477	100.00%
2004	5,376,695	5,376,695	100.00%
2003	4,991,813	4,991,813	100.00%

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

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

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	COUNTY PER CAPITA INCOME	PERCENTAGE OF PER CAPITA INCOME
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2012	\$7,658,000	48,007	7,706,007	N/A	N/A
2011	8,238,000	96,013	8,334,013	N/A	N/A
2010	8,813,000	145,967	8,958,967	47,391	0.53%
2009	9,358,000	236,909	9,594,909	46,516	0.48%
2008	9,898,000	121,778	10,019,778	46,564	0.46%
2007	10,438,000	144,270	10,582,270	44,077	0.42%
2006	10,948,000	184,703	11,132,703	42,398	0.38%
2005	11,443,000	233,944	11,676,944	40,100	0.34%
2004	6,085,000	213,010	6,298,010	38,846	0.62%
2003	5,720,000	148,267	5,868,267	37,099	0.63%

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY
	GENERAL OBLIGATION BONDS	DEDUCTIONS		
2012	\$7,658,000		7,658,000	1.03%
2011	8,238,000		8,238,000	1.11%
2010	8,813,000		8,813,000	1.19%
2009	9,358,000		9,358,000	1.28%
2008	9,898,000		9,898,000	1.36%
2007	10,438,000		10,438,000	1.43%
2006	10,948,000		10,948,000	1.51%
2005	11,443,000		11,443,000	2.96%
2004	6,085,000		6,085,000	1.59%
2003	5,720,000		5,720,000	1.51%

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2012**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Tabernacle	\$6,475,246	100.000%	\$6,475,246
Lenape Regional School District	87,649,000	4.131%	3,620,496
Burlington County General Obligation Debt	365,784,648	1.578%	5,770,722
Subtotal, Overlapping Debt			15,866,465
Tabernacle School District Direct Debt			7,658,000
Total Direct & Overlapping Debt			\$23,524,465

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Dollars in Thousands)**

	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt Limit	\$23,653,774	25,237,930	25,064,650	24,636,915	22,818,754	20,391,989	17,799,634	15,716,719	14,074,752	12,967,060
Total Net Debt Applicable to Limit	<u>7,658,000</u>	<u>8,238,000</u>	<u>8,813,000</u>	<u>9,358,000</u>	<u>9,898,000</u>	<u>10,438,000</u>	<u>10,948,000</u>	<u>11,443,000</u>	<u>6,085,000</u>	<u>5,720,000</u>
Legal Debt Margin	<u>\$15,995,774</u>	<u>16,999,930</u>	<u>16,251,650</u>	<u>15,278,915</u>	<u>12,920,754</u>	<u>9,953,989</u>	<u>6,851,634</u>	<u>4,273,719</u>	<u>7,989,752</u>	<u>7,247,060</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.08%	1.09%	1.17%	1.27%	1.45%	1.71%	2.05%	2.43%	1.44%	1.47%

86

**Legal Debt Margin Calculation for Fiscal Year 2011**

	Equalized Valuation Basis
	2011      \$758,342,699
	2010      790,972,323
	2009 <u>816,062,417</u>
	<u>\$2,365,377,439</u>
Average Equalized Valuation of Taxable Property	<u>\$788,459,146</u>
Debt Limit (3 % of Average Equalization Value)	\$23,653,774
Net Bonded School Debt	<u>7,658,000</u>
Legal Debt Margin	<u>\$15,995,774</u>

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

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

YEAR	POPULATION	BURLINGTON COUNTY PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2011	6,992	N/A	5.00%
* 2010	6,949	47,391	5.10%
2009	7,170	46,516	4.80%
2008	7,157	46,564	2.70%
2007	7,182	44,077	2.00%
2006	7,337	42,398	4.10%
2005	7,353	40,100	2.00%
2004	7,334	38,846	2.80%
2003	73,096	37,099	3.10%
2002	7,261	36,403	3.10%

**Source:**

\*2010 Census  
US Bureau of the census  
Bureau of Economic Analysis us Department of Commerce  
New Jersey Department of Labor

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

	2012		2003	
	EMPLOYEES	RANK	EMPLOYEES	RANK
Tabernacle Board of Education	160	1	176	1
	<u>160</u>		<u>176</u>	

**Source:** Burlington County Office of Economic Development

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEAR**

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Instruction:</b>										
Regular & Special Education	62.5	95.0	N/A	N/A	73.5	71.0	73.0	72.0	82.0	80.0
Other Instruction	16.0	20.0	N/A	N/A	20.7	20.8	20.6	3.0	23.0	23.0
Adult/Continuing Education Programs			N/A	N/A	0.1	0.1	0.1	0.1	0.1	0.1
<b>Support Services:</b>										
Student & Instruction Related Services	12.0	4.0	N/A	N/A	4.0	4.0	3.7	5.5	6.0	6.0
Other Support Services			N/A	N/A	5.6	5.6	5.0	4.0	5.0	5.0
Instructional Staff Training			N/A	N/A	2.5	2.0	2.0	2.0	4.0	4.0
Media Center		2.0	N/A	N/A	5.6	5.6	6.0	6.0	6.0	6.0
School Administrative Services	12.0	9.0	N/A	N/A	7.5	7.0	7.0	7.0	7.0	7.0
General Administrative Services	2.0	3.0	N/A	N/A	2.4	2.4	2.4	2.0	2.0	4.0
Plant Operations & Maintenance	13.0	8.0	N/A	N/A	13.2	12.7	12.2	20.0	20.0	21.0
Pupil Transportation	15.0	16.0	N/A	N/A	16.9	17.9	18.0	17.0	20.0	19.0
Business & Other Support Services	3.0	3.0	N/A	N/A	4.1	4.0	4.2	4.5	4.0	4.0
<b>Total</b>	<b>135.5</b>	<b>160.0</b>	<b>N/A</b>	<b>N/A</b>	<b>156.1</b>	<b>153.1</b>	<b>154.2</b>	<b>143.1</b>	<b>179.1</b>	<b>179.1</b>

Source: District Personnel Records

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2012	828	\$12,603,850	15,222	1.61%	83	10.0/1	828	794	-5.15%	-5.02%
2011	870	12,288,327	14,125	-5.71%	78	11.2/1	870	828	-2.90%	-3.27%
2010	873	13,077,928	14,980	2.63%	77	11.3/1	873	836	-2.57%	-2.34%
2009	896	13,077,928	14,596	-7.57%	80	11.2/1	896	856	1.82%	2.15%
2008	880	13,895,601	15,790	10.71%	85	10.4/1	880	838	-1.79%	-1.53%
2007	896	12,780,099	14,264	10.79%	85	10.4/1	896	851	-4.58%	-5.23%
2006	938	12,075,964	12,874	8.74%	86	10.9/1	939	898	-3.10%	-3.13%
2005	969	11,472,784	11,840	-0.05%	86	11.3/1	969	927	1.57%	1.42%
2004	954	11,301,041	11,846	5.14%	90	10.6/1	954	914	-0.63%	-0.44%
2003	960	10,815,915	11,267	9.28%	96	10/1	960	918	1.74%	2.34%

Sources: District records

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEAR**

102

DISTRICT BUILDINGS	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Elementary Schools:										
Tabernacle Elementary										
Square Feet	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918
Capacity (Students)	552	552	552	552	552	552	552	552	552	552
Enrollment	444	470	440	482	468	435	499	504	479	479
Middle School:										
Olson Middle School										
Square Feet	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321
Capacity (Students)	474	474	474	474	474	474	474	474	474	474
Enrollment	384	400	433	414	412	448	440	466	474	474

Number of Schools at June 30, 2012:  
 Elementary = 1  
 Middle School = 1

Source: District Facilities Office

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

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES

	TABERNACLE ELEMENTARY	KENNETH R OLSON MIDDLE SCHOOL	TOTAL
2012	\$29,234	39,749	68,983
2011	41,366	48,824	90,190
2010	55,424	72,208	127,632
2009	42,293	64,856	107,149
2008	41,390	48,595	89,985
2007	19,372	38,272	57,644
2006	54,339	48,754	103,093
2005	36,267	41,075	77,342
2004	29,560	82,384	111,944
2003	39,588	56,555	96,143
	<hr/>		
Total School Facilities	\$388,833	541,272	930,105
	<hr/>		

Source: District records

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2012**

**Burlington County Joint Insurance Fund:**

1. Property, Inland Marine & Automobile Physical Damages:		
Limit of Liability	150,000,000	Per Occurrence
BCIPJIF Self Insured Retention	200,000	Per Occurrence
Member District Deductible	500	Per Occurrence
Perils Included		"All Risk"
Property Valuation:		
Buildings & Contents		Replacement Cost
Contractors Equipment		Actual Cash Value
Automobiles		Actual Cash Value
2. Boiler & Machinery:		
Limit of Liability		100,000,000
BCIPJIF Self Insured Retention		None
Member District Deductible		1,000
3. Crime:		
Limit of Liability		500,000
BCIPJIF Self Insured Retention		200,000
Member District Deductible		500
4. General & Automobile Liability:		
Limit of Liability		10,000,000
BCIPJIF Self Insured Retention		150,000
Member District Deductible		None
5. Workers' Compensation:		
Limit of Liability		Statutory
BCIPJIF Self Insured Retention		250,000
Member District Deductible		None
6. Educator's Legal Liability:		
Limit of Liability		10,000,000
BCIPJIF Self Insured Retention		100,000
Member District Deductible		None
7. Pollution Legal Liability:		
Limit of Liability		3,000,000
BCIPJIF Self Insured Retention		None
Member District Deductible		25,000

**Coverage Provided by Separate Policies was as Follows:**

Student Accident Coverage ( Including Volunteer Workers)	
Storage Tank Systems Third Party Liability & Cleanup Policy	1,000,000
Deductible Each Claim	5,000
Surety Bonds:	
Treasurer	200,000
Board Secretary	100,000

**SINGLE AUDIT SECTION**

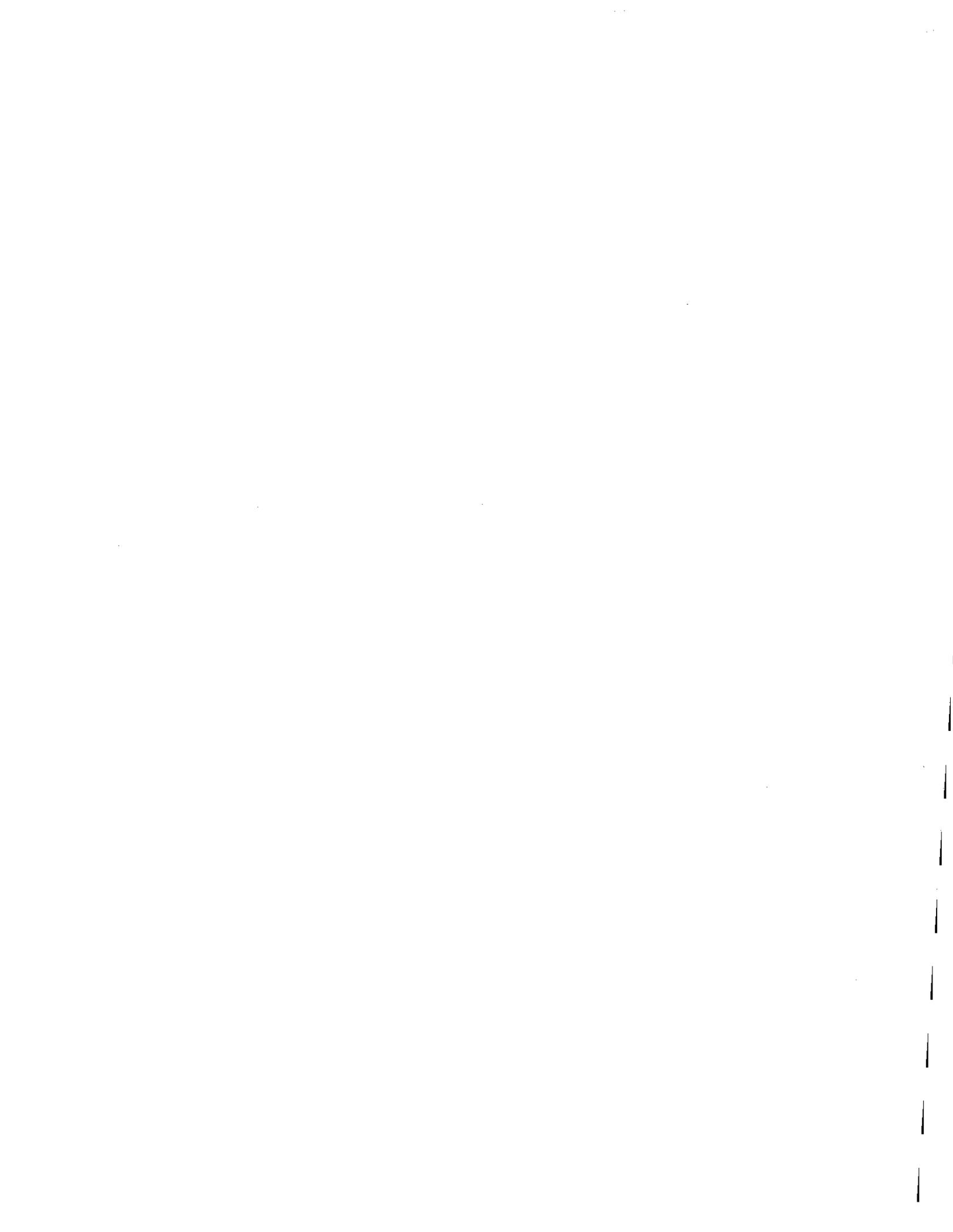


EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Tabernacle Township  
County of Burlington  
Tabernacle, New Jersey 08088

We have audited the financial statements of the Board of Education of the Tabernacle Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated October 2, 2012. 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 Division of Finance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

Management of the Tabernacle Township School District, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Tabernacle 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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District'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 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. We consider the deficiencies described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No's: 2012-02, 2012-03, 2012-04, 2012-05, 2012-06, 2012-07 and 2012-08 to be a material weaknesses.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying *Schedule of Findings & Questioned Costs*, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

## Compliance and Other Matters

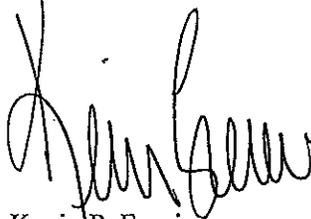
As part of obtaining reasonable assurance about whether the Tabernacle Township School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey as Finding No's: 2012-01, 2012-02, 2012-03, 2012-04, 2012-05, 2012-06, 2012-07, 2012-08 and 2012-09 in the accompanying *Schedule of Findings & Questioned Costs*.

We noted certain matters that we reported to the management of the Tabernacle Township Board of Education in a separate *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated October 2, 2012.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



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

Medford, New Jersey  
October 2, 2012

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members  
of the Board of Education  
Tabernacle Township  
County of Burlington  
Tabernacle, New Jersey 08088

**Compliance**

We have audited the compliance of Board of Education of the Tabernacle Township School District, in the County of Burlington, 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 Grants Compliance* 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. The Board of Education of the Tabernacle Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Board of Education of the Tabernacle Township School District's management. Our responsibility is to express an opinion on Board of Education of the Tabernacle Township School District'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 Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Board of Education of the Tabernacle Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Board of Education of the Tabernacle Township School District's compliance with those requirements.

In our opinion, the Board of Education of the Tabernacle Township School District, County of Burlington, 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 year ended June 30, 2012.

## Internal Control Over Compliance

The management of the Board of Education of the Tabernacle Township School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered Tabernacle Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Tabernacle Board of Education's internal control over compliance.

A deficiency in Tabernacle Township Board of Education's 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. We consider the deficiencies in internal control over compliance described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No: 2012-02, 2012-03, 2012-04, 2012-05, 2012-06, 2012-07 and 2012-08 to be material weaknesses.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

Tabernacle Township Board of Education's responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit Tabernacle Township Board of Education's response and, accordingly, we express no opinion on the responses.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



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

Medford, New Jersey  
October 2, 2012

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT			CANCELLED PRIOR YEAR PAYABLE	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2012	DEFERRED REVENUE AT JUNE 30, 2012	DUE TO GRANTOR JUNE 30, 2012
				JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES				
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>										
<b>Enterprise Fund:</b>										
Food Distribution Program	10.550	\$18,557	7/1/11-6/30/12		18,557	(18,557)				
National School Lunch Program	10.555	56,398	7/1/11-6/30/12		53,346	(56,398)		(3,052)		
National School Lunch Program	10.555	54,827	7/1/10-6/30/11	(\$4,136)	4,136					
Total U.S. Department of Agriculture				(4,136)	76,039	(74,955)		(3,052)		
<b>U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>										
Education Jobs Fund	84.410	193,767	9/1/11-8/31/12		161,779	(193,767)		(31,988)		
Title I	84.010	61,671	9/1/11-8/31/12		39,061	(41,764)		(2,703)		
Title I	84.010	40,024	9/1/10-8/31/11	(11,205)	17,796	(6,591)				
Title II - Part A	84.281	28,748	9/1/08-8/31/09	5,455					5,455	
Title II - Part A	84.281	27,760	9/1/11-8/31/12		23,132	(23,132)				
Title II - Part A	84.281	30,195	9/1/10-8/31/11	(9,500)	14,533	(5,033)				
Title II - Part D	84.318	86	9/1/09-8/31/11	(22)	22					
Title II - Part D	84.318	322	9/1/08-8/31/09	322		(322)				
Title IV - Part A	84.186	9,713	9/1/08-8/31/09	1,756		(1,756)				
I.D.E.A. Part B, Basic	84.027	193,493	9/1/11-8/31/12		101,554	(162,579)		(61,025)		
I.D.E.A. Part B, Basic	84.027	188,168	9/1/10-8/31/11	(47,158)	58,243	(13,053)	1,968			
I.D.E.A. Part B, Basic	84.027	186,780	9/1/09-8/31/10	11,929		(11,929)				
I.D.E.A. Part B Preschool	84.173	7,681	9/1/09-8/31/10	(1,855)				(1,855)		
I.D.E.A. Part B Preschool	84.173	7,945	9/1/10-8/31/11	(1,751)	1,751					
I.D.E.A. Part B Preschool	84.173	8,384	9/1/11-8/31/12		2,351	(2,351)				
I.D.E.A. Part B, ARRA, Preschool	84.392	6,585	9/1/09-8/31/11	(1,324)	3,393	(2,069)				
I.D.E.A. Part B, ARRA	84.391	182,120	9/1/09-8/31/11	(31,586)	34,377	(2,791)				
Total U.S. Department of Education				(84,939)	457,992	(467,137)	1,968	(97,571)	5,455	
Total Federal Financial Assistance				(\$89,075)	534,031	(542,092)	1,968	(100,623)	5,455	

TABERNACLE TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE)	DEFERRED	MEMO	
							AT JUNE 30, 2012	REVENUE AT JUNE 30, 2012	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education (State Aid):										
General Fund:										
Equalization Aid	12-495-034-5120-078	\$3,387,540	7/1/11-6/30/12		3,387,540	(3,387,540)				(3,387,540)
Transportation Aid	12-495-034-5120-014	338,537	7/1/11-6/30/12		338,537	(338,537)				(338,537)
Special Education Categorical Aid	12-495-034-5120-089	436,655	7/1/11-6/30/12		436,655	(436,655)				(436,655)
Adjustment Aid	12-495-034-5120-084	1,226,662	7/1/11-6/30/12		1,226,662	(1,226,662)				(1,226,662)
Security Aid	12-495-034-5120-085	65,479	7/1/11-6/30/12		65,479	(65,479)				(65,479)
Reimbursement of Nonpublic										
Transportation	11-103190	4,002	7/1/10-6/30/11	(\$4,002)	4,002					
Transportation	12-103190	5,220	7/1/11-6/30/12			(5,220)	(5,220)			(5,220)
On Behalf TPAF Pension										
Contributions	12-495-034-5095-001	596,158	7/1/11-6/30/12		596,158	(596,158)				(596,158)
TPAF Social Security Contributions	12-495-034-5095-002	444,755	7/1/11-6/30/12		422,420	(444,755)	(22,335)			(444,755)
TPAF Social Security Contributions	11-495-034-5095-002	422,717	7/1/10-6/30/11	(138)	138					
Total General Fund				(4,140)	6,477,591	(6,501,006)	(27,555)			(6,501,006)
Special Revenue Fund:										
NJ Character Education Aid	08-495-034-5120-053	1,000	7/1/07-6/30/08	613				613		
The Governor's Initiative Enhancement & Expanding Program	09-100-034-5065-091	99,972	6/1/08-6/30/09	192				192		
Total Special Revenue Fund				805				805		
Debt Service Fund:										
Debt Service Aid Type II	12-495-034-5120-017	111,370	7/1/11-6/30/12		111,370	(111,370)				(111,370)
Total Debt Service Fund					111,370	(111,370)				(111,370)
Capital Projects Fund:										
Educational Facilities Construction & Financing Act:										
Tabernacle Middle School	5130-040-05-1000	3,087,190	Until Completion	(348,471)	129,193		(219,278)			
Total Capital Projects Fund				(348,471)	129,193		(219,278)			
Enterprise Fund:										
National School Lunch Program (State Share)	12-100-010-3360-067	2,651	7/1/11-6/30/12		2,511	(2,651)	(140)			(2,651)
National School Lunch Program (State Share)	11-100-010-3360-067	3,007	7/1/10-6/30/11	(392)	392					
Total Enterprise Fund				(392)	2,903	(2,651)	(140)			(2,651)
Total State Financial Assistance				(\$352,198)	6,721,057	(6,615,027)	(246,973)	805		(6,615,027)

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2012**

**1. General**

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

**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. This basis of accounting is described in Note 1 to the Board's 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 last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$30,985) for the general fund and (\$9,763) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**TABERNACLE TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2012**

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

	<b>Federal</b>	<b>State</b>	<b>Total</b>
General Fund	\$193,767	\$6,470,021	\$6,663,788
Special Revenue Fund	263,607		263,607
Food Service Fund	74,955	2,651	77,606
Debt Service Fund		111,370	111,370
Total Financial Assistance	<u>\$532,329</u>	<u>\$6,584,042</u>	<u>\$7,116,371</u>

**4. Relationship to State Financial Reports**

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

**5. Other**

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

**Note 6. State Loans Outstanding**

The Tabernacle Township had no loan balances outstanding at June 30, 2012.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & 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:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to basic financial Statements noted?	Yes

**Federal Awards**

Internal Control over major programs:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	None Reported

**Identification of major programs:**

CFDA Number(s)	Name of Federal Program or Cluster
84.410	Education Jobs Fund
84.027	I.D.E.A. Part B

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	None Reported

**Identification of major programs:**

GMIS Number(s)	Name of State Program
12-495-034-5120-078	Equalization Aid

**Section II – Financial Statement Findings**

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

**Finding 2012-02:**

**Criteria or Specific Requirement:**

That all quarterly payroll reports be filed in a timely manner.

**Condition:**

The second quarter 2012 payroll reports were not filed in a timely manner. This includes the PERS and TPAF Pension Reports, the Federal Form 941 and the State NJ927 Form.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-02 (continued):**

**Context:**

Quarterly payroll reports are required to reconcile balances owed to state and federal agencies.

**Effect:**

Agencies that do not receive timely filings can levy penalties until reports are filed.

**Cause:**

The School District did fill out and file the required reports.

**Recommendation:**

That the School District files all payroll reports in a timely manner.

**Views of Responsible Officials and Planned Corrective Action:**

The District is taking the necessary steps to file all delinquent reports.

**Finding 2012-03:**

**Criteria or Specific Requirement:**

That a detailed accounting of all employee compensated absence balances be maintained by the School District.

**Condition:**

An updated listing of employee compensated absence balances was not provided by the School District for the 2011-2012 school year.

**Context:**

Compensated absence balances are tracked to show how much accrued sick and vacation time an employee has earned.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-03 (continued):**

**Effect:**

The District is unable to calculate a liability balance that reflects the amount owed to employees at June 30, 2012.

**Cause:**

The School District has not updated the report provided for June 30, 2011.

**Recommendation:**

That the School District maintains an updated listing of all employee compensated absence balances.

**Views of Responsible Officials and Planned Corrective Action:**

The District is taking the necessary steps to create a detailed compensated absence report.

**Finding 2012-04:**

**Criteria or Specific Requirement:**

That expenditures be charged to the correct budget appropriation accounts in the general fund budget.

**Condition:**

The School District did not accurately charge expenditures to correct budget appropriations in the general fund budget.

**Context:**

All expenditures were not charged to the correct budget appropriations in the general fund budget.

**Effect:**

The District has several budget lines that have expenditures charged to them which are not accurate.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-04 (continued):**

**Cause:**

The School District has expenditures that were being charged to incorrect budget lines in the general fund budget.

**Recommendation:**

That the School District charges expenditures to correct budget appropriations in the general ledger accounting system.

**Views of Responsible Officials and Planned Corrective Action:**

The District will charge expenditures to correct budget appropriation account lines in the future.

**Finding 2012-05:**

**Criteria or Specific Requirement:**

The School District should have a reconciliation performed that reconciles the bank cash balance to the general ledger cash balance.

**Condition:**

The School District’s bank reconciliation does not reconcile to the general ledger accounting system by \$5,131, as of June 30, 2012.

**Context:**

The reconciliation that has been performed by the district does not reconcile the bank cash balance to the general ledger cash balance.

**Effect:**

The District had transactions that occurred in the 2011-2012 school year that were not properly recorded in the general ledger accounting system.

**Cause:**

The School District has not properly recorded all bank activity into the general ledger accounting system.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-05 (continued):**

**Recommendation:**

That the School District reconcile the District bank accounts to the cash balance in the general ledger accounting system.

**Views of Responsible Officials and Planned Corrective Action:**

The District will perform bank reconciliations balancing the cash balance to the general ledger balance in the future.

**Finding 2012-06:**

**Criteria or Specific Requirement:**

The School District should maintain a full accrual general ledger accounting system.

**Condition:**

The School District does not maintain a full accrual general ledger accounting system. Numerous audit adjustments were suggested and approved in order to establish accurate account balances in all funds.

**Context:**

The School District has not maintained a full accrual general ledger.

**Effect:**

Numerous audit adjustments were suggested and approved in order to establish accurate account balances in all funds.

**Cause:**

The School District has not properly recorded all entries required to maintain a full accrual general ledger accounting system.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-06 (continued):**

**Recommendation:**

That the School District maintains a full accrual general ledger accounting system.

**Views of Responsible Officials and Planned Corrective Action:**

The District will maintain a full accrual accounting system in the future.

**Finding 2012-07:**

**Criteria or Specific Requirement:**

The School District should not over expend any budget appropriation account lines in the general ledger accounting system.

**Condition:**

The School District has over expended numerous budget appropriation account lines in general ledger accounting system.

**Context:**

The School District has over expended numerous budget appropriation account lines in general ledger accounting system.

**Effect:**

Numerous budget appropriation lines in general ledger accounting system have been over expended.

**Cause:**

Appropriation balances remaining were not identified before expenditures were charged to the general ledger.

**Recommendation:**

That the School District not over expend any budget appropriations.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued):**

**Finding 2012-07 (continued):**

**Views of Responsible Officials and Planned Corrective Action:**

The District will not over expend budget appropriation lines in the future.

**Finding 2012-08:**

**Criteria or Specific Requirement:**

The School District should restrict employee access to areas of the general ledger software that have been approved for them to access.

**Condition:**

Our audit has revealed that all personnel in the Business Office have been granted unrestricted access to the general ledger accounting system. The internal controls of the School District prohibit certain employees to have unrestricted access.

**Context:**

The School District has not restricted employee access to areas of the general ledger software that have been approved for them to access.

**Effect:**

All Business Office employees have been granted unlimited access to the general ledger software.

**Cause:**

Restrictions have not been placed on employees access in the general ledger software.

**Recommendation:**

That the School District limits users’ access only to areas in which they have been authorized.

**Views of Responsible Officials and Planned Corrective Action:**

The District will restrict access to employees in the future.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

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

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

No Current Year Findings

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

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

**Finding 2010-01:**

**Condition:**

Bank reconciliations performed by the Business Office Personnel were not reviewed by the Business Administrator on a monthly basis. Our audit review discovered material reconciling items that were not cleared for 15 months. The District's bank reconciliations overstated cash by \$490,689.

**Current Status:**

This condition has been corrected.

**Finding 2010-02:**

**Condition:**

The District's Special Revenue Fund has a cash deficit of \$314,000. Numerous District grants were not drawn down from sponsoring agencies on a timely basis.

**Current Status:**

This condition has been corrected.

**Finding 2010-03:**

**Condition:**

A review of the District's monthly budget report indicates that \$660,000 was erroneously added to the District's appropriations during the 2009-2010 school year. This addition caused the District's available budget to be overstated. Audit adjustments were required to correct this error. The audit adjustment caused three budgetary line items to be over expended.

**Current Status:**

This condition has been corrected.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT (continued):  
For the Fiscal Year Ended June 30, 2012**

**Finding 2010-04:**

**Condition:**

Our review of the District's General Ledger revealed that numerous journal entries were made throughout the year. The journal entries were completed with no approval, review process or explanations.

**Current Status:**

This condition has been corrected.

**Finding 2010-05:**

**Condition:**

The following problems were noted in connection with revenue recognition:

- Tuition in excess of \$40,000 for the school year 2009-2010 was not recorded in the financial statements, billed or received.
- Community Education Reimbursement due from a neighboring District has not been billed or collected.
- The purchase of an oven in the amount of \$6,107 was recorded as a receipt of tuition.
- The amount reflected for Social Security reimbursement due from the State was overstated by \$5,200.
- The receipt of the 2009 State and receivable as of June 30, 2009 was recorded as 2010 revenue.
- The 2009-2010 State Aid receivable as of June 20, 2010 in the amount of \$580,780 was not recorded.
- Revenues receivable for Nonpublic Transportation Aid in the amount of \$3,101 was not recorded.
- State Aid offsetting payments of \$475,919 for Social Security Reimbursement and Pension Contribution of \$430,687 were not recorded in the financial statements as revenue or expense.

**Current Status:**

This condition has been corrected.

**TABERNACLE TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT (continued):  
For the Fiscal Year Ended June 30, 2012**

**Finding 2010-07:**

**Condition:**

The District's records required twenty nine (29) adjusting entries in order to correct misstatements in the financial records.

**Current Status:**

This condition has been corrected.

**Finding 2010-08:**

**Condition:**

The Treasurer's records were found to be incorrect and incomplete. The Treasurer is not performing the duties assigned to him.

**Current Status:**

This condition has been corrected.

**Finding 2011-01:**

**Condition:**

The School District does not maintain an updated fixed asset ledger.

**Current Status:**

This condition has been corrected.