

**SCHOOL DISTRICT  
OF  
CRANFORD TOWNSHIP**

**CRANFORD TOWNSHIP  
BOARD OF EDUCATION**

**COUNTY OF UNION  
CRANFORD, NEW JERSEY**

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

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
JUNE 30, 2013**

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# **INTRODUCTORY SECTION**



# Cranford Public School District

**Robert J. Carfagno, CPA, RMA, PSA**  
Business Administrator/Board Secretary

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Cranford, NJ 07016

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November 12, 2013

Honorable President and  
Members of the Board of Education  
Cranford Township Public School District  
Cranford, NJ 07016

Dear Board Members:

The comprehensive annual financial (CAFR) of the Cranford Township Public School District (District) for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures rests with the 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.

This comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this letter of transmittal, the District's organization chart and a list of principal officials. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes, supplemental information and the combining individual fund schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The Cranford Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Cranford Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular education as well as special education for handicapped youngsters. The District completed the 2012-2013 fiscal year with an enrollment of 3,896 students, which is 15 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-2013	3,896	0.99%
2011-2012	3,911	0.99%
2010-2011	3,928	0.76%
2009-2010	3,898	2.39%
2008-2009	3,807	2.06%

2. ECONOMIC CONDITION AND OUTLOOK: Cranford is experiencing a period in which development is not expanding and business ratable, while decreasing during these economic times, will hopefully stabilize eventually when market conditions improve.

3. MAJOR INITIATIVES: On December 8, 2009, the District held a School Board Referendum. The School District voters approved the referendum, which consisted of the following:

Undertake district-wide roof/energy efficiency improvement projects including roof replacement at all schools; heating/ventilation upgrades at Brookside Place School, Walnut Avenue School and Bloomingdale Avenue School; and boiler replacement at Orange Avenue School, Hillside Avenue School and Lincoln School; expend on such projects an aggregate amount not exceeding \$19,981,269, which expenditure shall be funded, in part, with a \$7,992,506 State grant, based on aggregate final eligible costs of \$19,981,269 as determined by the Commissioner of Education; and issue bonds in an aggregate amount not exceeding \$11,988,763 representing the School District's local share of projects costs. The local shares of each of the projects may be transferred among projects.

Of the total amount of \$19,981,269, the School District Bonds received authorization to issue bonds in the amount of \$11,988,763, which represents the School Districts local share of the project costs.

Furthermore, the Board of Education has received grant approval from the State of New Jersey Schools Development Authority in the amount of \$7,992,506.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal awards and state financial assistance, the District also is responsible for ensuring that an adequate internal controls are 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. Since grant periods differ in their prescribed fiscal years, representations are made prior to the end of the fiscal year for those grants having fiscal years other than July 1 through June 30.

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

5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for capital improvements and are accounted for in the capital projects fund. The original and 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, 2013.

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB), as explained in the "Notes to the Financial Statements," Note 1.

7. **FINANCIAL INFORMATION AT FISCAL YEAR END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2013 and the amount and percentage of increases/decreases in relation to prior year revenues.

<u>Revenue</u>	<u>FY 2013 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) From 2012</u>	<u>Percent of Increase (Decrease)</u>
Local Sources	49,208,602.82	83.28%	(1,983,967.61)	(3.88%)
State Sources	8,648,844.82	14.64%	1,697,199.94	24.41%
Federal Sources	<u>1,229,585.68</u>	<u>2.08%</u>	<u>(9,982.04)</u>	<u>(0.80%)</u>
Total	<u>59,087,033.32</u>	<u>100.00%</u>	<u>(296,659.71)</u>	<u>(0.50%)</u>

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

<u>Expenditures</u>	<u>FY 2013 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) From 2011</u>	<u>Percent of Increase (Decrease)</u>
Current Expense:				
Instruction	25,600,178.80	40.19%	252,985.29	1.00%
Undistributed	34,800,689.84	54.64%	3,870,150.00	12.51%
Capital Outlay	757,313.74	1.19%	566,989.74	297.91%
Special Revenue	1,373,941.28	2.16%	63,165.64	4.82%
Debt Service:				
Principal	720,000.00	1.13%	435,000.00	152.63%
Interest	<u>443,222.50</u>	<u>0.69%</u>	<u>(193,649.89)</u>	<u>(30.41%)</u>
Total	<u>63,695,346.16</u>	<u>100.00%</u>	<u>4,994,640.78</u>	<u>8.51%</u>

8. DEBT ADMINISTRATION: At June 30, 2013, the District reported outstanding debt of \$13,305,000 of general obligation bonds.

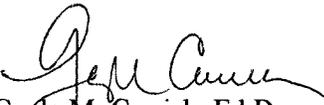
9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the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

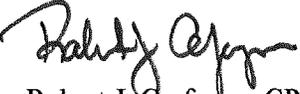
10. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Management and the Board of Education continue to explore innovative ways to contain insurance costs while still minimizing risks.

11. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, P.A. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act of 1984, as amended, and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04. 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.

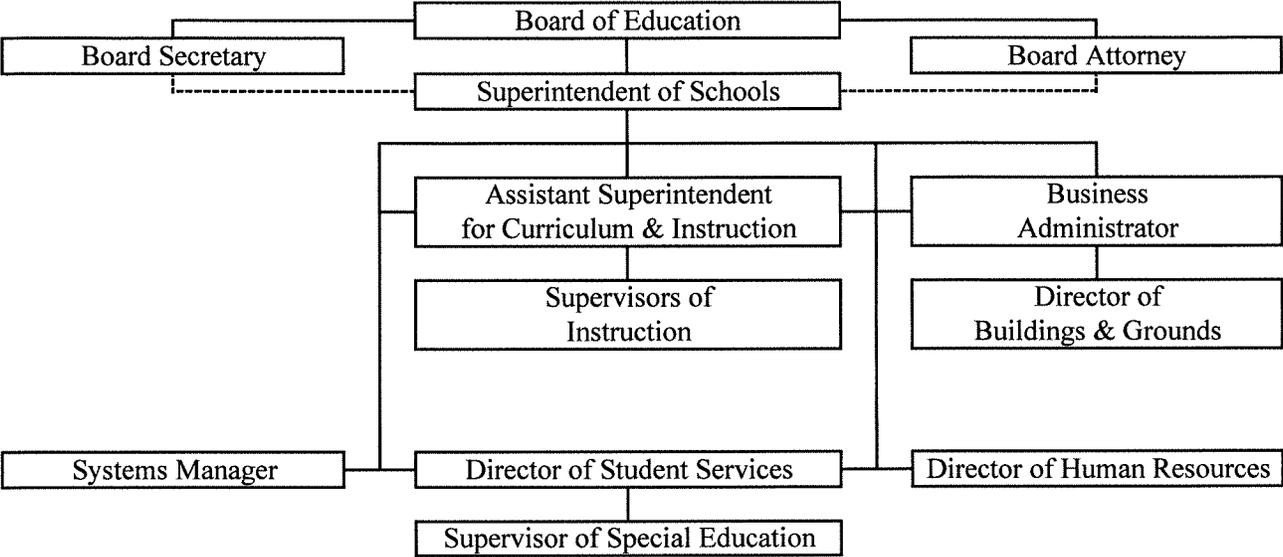
12. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Cranford Township Board of Education for their diligence and concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development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

Respectfully submitted,

  
Gayle M. Carrick, Ed.D.  
Superintendent

  
Robert J. Carfagno, CPA  
Business Administrator/  
Board Secretary

CRANFORD PUBLIC SCHOOL DISTRICT  
 ORGANIZATIONAL CHART  
 DISTRICT ADMINISTRATION



**BOARD OF EDUCATION  
TOWNSHIP OF CRANFORD**

**ROSTER OF OFFICIALS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<u>Members of the Board of Education</u>		<u>Term Expires*</u>
Mary Venditti	President	2015
Catherine Morgese	Vice President	2015
Jo Ann Boyle	Member	2014
Jill Brown	Member	2013
Michael Caulfield	Member	2014
Lisa Patella	Member	2013
Trevor Shaw	Member	2014
Mary Catherine Sudiak	Member	2013
Camille Widdows	Member	2015

Other Officials

Gayle M. Carrick, Ed.D., Superintendent of Schools

Robert J. Carfagno, CPA, Business Administrator/Board Secretary

\* The Board of Education passed a Resolution on January 23, 2012 changing the annual election date for its members from the third Tuesday in April to the first Tuesday after the first Monday in November (the General Election), beginning in 2012. Terms expire in the following January after the year in which the term expires.

**BOARD OF EDUCATION  
TOWNSHIP OF CRANFORD  
CONSULTANTS AND ADVISORS**

**Audit Firm**

**Hodulik & Morrison, P.A.  
1102 Raritan Avenue  
Highland Park, New Jersey 08904**

**Attorney**

**Anthony P. Sciarrillo, Esq.  
Lindabury, McCormick, Estabrook & Cooper, P.C.  
56 Cardinal Drive  
Westfield, NJ 07091-2369**

**Official Depository**

**TD Bank  
465 South Avenue  
Cranford, New Jersey 07016**

**Bond Counsel**

**Lisa A. Gorab, Esq.  
Wilentz, Goldman & Spitzer P.A.  
90 Woodbridge Center Drive  
Suite 900 Box 10  
Woodbridge, New Jersey 07095-0958**

## **FINANCIAL SECTION**

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

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

JO ANN BOOS, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Cranford School District, in the County of Union, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Cranford Board of Education's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

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

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

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

## **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cranford Board of Education's basic financial statements taken as a whole. The accompanying other supplementary information, consisting of the combining and individual fund financial statements, as listed in the table of contents, the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A- 133, *Audits of States, Local Governments, and Non-Profit Organizations*; and schedule of expenditures of state financial assistance as required by New Jersey OMB's Circular 04-04, and the other information including the introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2013 on our consideration of the Cranford Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Hodulik & Morrison, P.A.*

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

*Robert S. Morrison*

Robert S. Morrison  
Public School Accountant  
PSA # 871

Highland Park, New Jersey  
November 12, 2013

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**PART I**

**Cranford Township School District  
Cranford, New Jersey  
Union County**

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

The Cranford Township School District (the "District") discussion and analysis is designed to provide an overview of the District's financial activities for the year ended June 30, 2013, identify changes in the District's financial position, identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

The focus of the Management Discussion and Analysis (MD&A) is on current year activities, resulting changes and currently known facts. The MD&A should be read in conjunction with the Transmittal Letter and the District's Financial Statements.

**FINANCIAL HIGHLIGHTS**

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

Total net position for governmental activities are reported at \$50,991,580 at June 30, 2013. This represents a decrease of \$213,418 or 0.25% decrease over the prior year reported net position. Governmental funds reported a total fund balance of \$6,028,318 (see Exhibit B-1), which is a 28.41% decrease from last year's total governmental fund balance. This decrease is primarily the result of the utilization of fund balance in the approved and adopted 2012-2013 school district budget. The general or operating fund balance was reported at \$1,807,313 of which \$1,474,282 was appropriated toward the approved and adopted 2013-2014 budget. The unrestricted general fund balance is reported at \$(254,139). The ending fund balance was impacted by the non-recognition, on a GAAP basis, of net State Aid payments deferred to July 2013 in the amount of \$880,504 in the general fund, that were due at June 30, 2013. Total spending for all governmental funds was \$64,510,810. Total revenues were \$62,253,473, resulting in a deficit of revenues over expenditures of \$(2,257,337) for the year. This deficit is primarily the result of the utilization of fund balance in the approved and adopted 2012-2013 school district budget and the insurance recovery proceeds received for storm related damages. Please note proceeds from the sale of financings are not included in revenues whereas the spending related to the capital projects are included in the expenditures reported. Revenues included \$10,013,491 in state and federal aid and \$48,672,853 in local taxes.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

**Figure A-1**

***Organization of the School District Annual Financial Report***

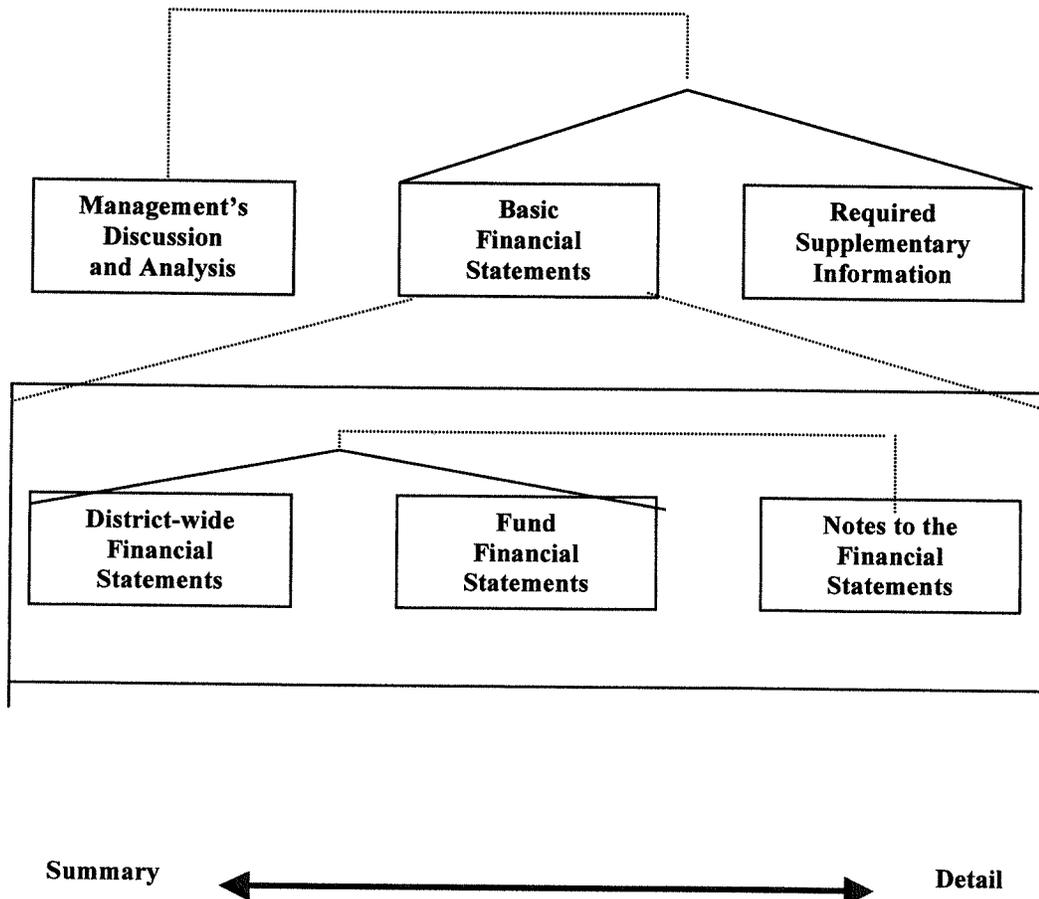


Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

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

## District-wide Statements

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

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

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

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

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

## Fund Financial Statements

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

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

The district has three kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

- Fiduciary funds: The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

#### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net position were \$50,991,580 at June 30, 2013. Of this amount, (\$1,839,399) was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.

Figure A-3  
Net Position

	Governmental Activities <u>2012</u>	Governmental Activities <u>2013</u>	% Increase -Decrease
Current and other assets	\$ 8,502,199	\$ 7,788,320	-8.40
Capital assets	<u>60,780,973</u>	<u>61,323,693</u>	<u>0.89</u>
Total assets	<u>\$69,283,172</u>	<u>\$69,112,013</u>	<u>-0.25</u>
Deferred Outflow of Resources:			
Deferred Bond Issue Costs	<u>15,488</u>	<u>12,491</u>	<u>-19.35</u>
Total Deferred Outflows of Resources	<u>15,488</u>	<u>12,491</u>	<u>-19.35</u>
Current and other liabilities	\$ 846,169	\$ 1,840,639	117.53
Long-term liabilities	<u>17,244,493</u>	<u>16,292,794</u>	<u>-5.52</u>
Total liabilities	<u>18,090,662</u>	<u>18,133,433</u>	<u>0.24</u>
Net position:			
Invested in capital assets, net of debt	46,755,973	47,580,772	1.76
Restricted	6,069,458	5,250,207	-13.50
Unrestricted	<u>(1,617,433)</u>	<u>(1,839,399)</u>	<u>13.72</u>
Total net position	<u>\$51,204,998</u>	<u>\$50,991,580</u>	<u>-0.25</u>

The (\$1,839,399) in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our non-capital liabilities (compensated absences for example), we would have (\$1,839,398) left.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

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

Figure A-4  
Activity Results for Years Ended

	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>Increase/ -Decrease</u>
<b>Revenues:</b>			
Program revenue			
State grants & entitlements	\$7,534,792	\$9,805,668	\$2,270,876
General Revenue			
Local tax levy	47,728,327	48,672,853	944,526
Federal and State aid	2,597,960	244,683	-2,353,277
Miscellaneous revenues (Incl. Special items & Transfers)	<u>3,435,652</u>	<u>3,530,270</u>	<u>94,618</u>
Total Revenues	<u>\$61,297,731</u>	<u>\$62,253,474</u>	<u>\$955,743</u>
<b>Functions/Program Expenses:</b>			
Instruction			
Regular programs	18,082,519	17,718,659	-363,860
Special programs	6,130,646	6,425,432	294,786
Other Instructional programs	1,738,574	1,811,586	73,012
Support Services			
Student services	6,029,089	6,969,452	940,363
Tuition	2,400,151	2,406,521	6,370
Instructional staff support			
General administration and			
Business services	1,762,661	1,745,255	-17,406
School administration	2,731,754	2,761,070	29,316
Plant services	4,599,056	4,863,864	264,808
Student transportation services	1,090,841	1,325,805	234,964
Unallocated benefits	13,633,867	15,977,093	2,343,226
Unallocated depreciation and amortization	26,816	26,816	0
Community services programs			
Interest on long-term debt	<u>634,067</u>	<u>438,847</u>	<u>195,220</u>
Total Expenses	<u>\$58,860,040</u>	<u>\$62,470,400</u>	<u>\$3,610,360</u>
<i>Increase/-decrease in net position</i>	<u>\$2,436,691</u>	<u>\$(216,926)</u>	<u>\$-2,653,617</u>

## Governmental Activities

As reported in the Statement of Activities, the cost of all our governmental activities this year was \$62,470,400. These costs were financed by \$48,672,853 in local property school taxes, \$10,050,351 in federal and state aid and \$3,530,270 in miscellaneous revenues including interest, general entitlements, special items and transfers.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5  
Governmental Activities  
Total Cost of Services

	<u>Year Ended</u> <u>June 30, 2012</u>	<u>Year Ended</u> <u>June 30, 2013</u>
Regular programs instruction	\$18,082,519	\$17,718,659
Unallocated benefits	13,633,867	15,977,093
Student services	6,029,089	6,969,452
Special Program instruction	6,130,646	6,425,432
Plant services	4,599,056	4,863,864
School Administration	2,731,754	2,761,070
All others	<u>7,653,110</u>	<u>7,754,830</u>
Total	<u>\$58,860,040</u>	<u>\$62,470,401</u>

## Financial Analysis of the District's Funds

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

As the school district completed this year, our governmental funds reported a combined fund balance of \$6,028,318, which is a decrease of \$1,712,724 from last year. This decrease is primarily the result of the utilization of fund balance in the approved and adopted 2012-2013 school district budget. Also, as noted previously, the reported governmental fund balance is impacted by the non-recognition, on a GAAP basis, of State Aid payments deferred to July 2013 in the combined amount of \$880,504.

## General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a deficit.

Actual revenues reflect a positive variance of \$6.0 million. This is primarily due to the non-budgeted employer on-behalf TPAF pension, post retirement medical and social security contributions of \$5.7 million made by the State of New Jersey.

Actual expenditures reflect a negative variance of \$4.9 million even though almost all budget lines show a positive variance. This is primarily due to the non-budgeted employer on-behalf TPAF pension, post retirement medical and social security contributions of \$5.7 million made by the State of New Jersey.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2013, the school district had \$133,092,049 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$4,392,144, or 8.00% percent, from last year.

### Figure A-6

#### Capital Assets at Year-End

<u>Governmental Activities</u>	<u>2012</u>	<u>2013</u>
Land	\$41,197,641	\$41,197,641
Construction in Progress	12,576,147	13,244,547
Buildings and Improvements	73,510,395	73,623,401
Furniture, Equipment and Vehicles	<u>4,857,332</u>	<u>5,026,460</u>
Total	<u>\$132,141,514</u>	<u>\$133,092,049</u>

As noted above, this year's net additions/deletion are reported at \$950,534, which primarily consist of construction projects in progress of \$668,400. Anticipated completion for the balance of construction projects in progress is during 2013-2014.

### Long-Term Debt

At the end of this year, the school district had \$13,742,922 in bonds and capital leases outstanding versus \$14,610,123 the previous year – a decrease of 5.94%. The long-term debt at of the District consisted of:

### Figure A-7

#### Outstanding Debt, at Year-End

<u>Governmental Activities</u>	<u>2012</u>	<u>2013</u>
Capital leases	\$ 585,123	\$ 437,922
General obligation bonds	<u>14,025,000</u>	<u>13,305,000</u>
Total	<u>\$14,610,123</u>	<u>\$13,742,922</u>

The school district's general obligation bond rating continues to be above investment grade. The state limits the amount of general obligation debt that Districts can issue to 4% (for K through 12 districts) of the most recent three-year average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding and authorized but not issued general obligation debt of \$13,305,763 at June 30, 2013 is significantly below the \$162,221,776 statutorily-imposed limit. See the Notes to the Financial Statements and Schedule J-13 for additional information.

Other obligations include accrued vacation pay and sick leave. We present more detailed information about our long-term liabilities in the notes to the financial statement.

#### FACTORS AFFECTING THE DISTRICT'S FUTURE

- The financial position of the district remains in a good and stable condition despite the difficult economic times. However, maintaining existing programs with enrollment needs, provisions of the multitude of programs/services legally required for special needs pupils, unfunded federal and state mandates and the cost of employee benefits place a great demand on the district's resources. As a result, careful management of expenses remains essential for the district to sustain its financial health.
- The state made significant cuts in aid to the district's 2010-2011 budget in the amount of \$2,594,245. This cut in the 2010-2011 budget represented 5% of the district's overall budget. Even though state aid was increased in both 2011-2012 and 2012-2013, the amount of increase only represented a 2% return from the 5% reduction in 2010-2011. State aid, while remaining flat for 2013-2014, is still a net loss of \$1,110,397 from 2009-2010 funding levels and there is no guarantee, based upon the current economic conditions that this amount of state aid will continue in the future. Also, the state currently only funds approximately 5% of the overall district budget. The incremental effect of the continued under funding of education, including unfunded federal and state mandates, continues to increase the reliance on local tax revenues to sustain the existing educational programs.
- A new budget cap law, P.L. 2010, c. 44, effective July 13, 2010 (the "New Cap Law"), further provides limitations on a school district spending by limiting the amount a school district can raise for school district purposes through the property tax levy by two percent (2%) over the prior year's tax levy. The New Cap Law provides for certain adjustments to the tax levy cap for specific circumstances relating to enrollment increases, health care cost increases and increases in amounts for certain normal and accrued liability pension contributions. However, any utilization of these adjustments will result in an increased local tax burden upon the property owners of Cranford.

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

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Robert J. Carfagno, CPA, Business Administrator/Board Secretary, at 132 Thomas Street, Cranford, New Jersey, 07016.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**SECTION – A**

CRANFORD SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 515,221.73	\$ 72,046.30	\$ 587,268.03
Receivables, net	7,273,097.87	50,666.18	7,323,764.05
Inventory		2,700.19	2,700.19
Capital assets, net (Note 3):	<u>61,323,693.42</u>	<u>46,084.87</u>	<u>61,369,778.29</u>
Total Assets	<u>69,112,013.02</u>	<u>171,497.54</u>	<u>69,283,510.56</u>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred Bond Issue Costs, Net	<u>12,490.51</u>		<u>12,490.51</u>
Total Deferred Outflows of Resources	<u>12,490.51</u>		<u>12,490.51</u>
 <b>LIABILITIES</b>			
Accounts payable	398,323.08	131,454.84	529,777.92
Accrued interest payable	80,637.92		80,637.92
Accrued Salaries	103,853.77		103,853.77
Advance from Grantor	10,962.97		10,962.97
Other Liabilities	1,246,861.75	229.94	1,247,091.69
Noncurrent liabilities (Note 4):			
Due within one year	983,386.24		983,386.24
Due beyond one year	<u>15,309,407.55</u>		<u>15,309,407.55</u>
Total liabilities	<u>18,133,433.28</u>	<u>131,684.78</u>	<u>18,265,118.06</u>
 <b>NET POSITION</b>			
Invested in capital assets, net of related debt	47,580,771.63	46,084.87	47,626,856.50
Restricted for:			
Debt service	5.15		5.15
Capital projects	4,220,999.38		4,220,999.38
Other purposes	1,028,692.96		1,028,692.96
Unrestricted (Deficit)	<u>(1,839,398.87)</u>	<u>(6,272.11)</u>	<u>(1,845,670.98)</u>
Total net position	<u>\$ 50,991,070.25</u>	<u>\$ 39,812.76</u>	<u>\$ 51,030,883.01</u>

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>						
Instruction:						
Regular	\$17,718,659.46			(\$17,718,659.46)		(\$17,718,659.46)
Special education	6,425,432.37		2,951,661.76	(3,473,770.61)		(3,473,770.61)
Other special instruction	594,031.25			(594,031.25)		(594,031.25)
Other instruction	1,217,554.83			(1,217,554.83)		(1,217,554.83)
Support services:						
Tuition	2,406,520.59		787,090.75	(1,619,429.84)		(1,619,429.84)
Student & instruction related services	6,969,451.82			(6,969,451.82)		(6,969,451.82)
School administrative services	2,761,069.92		246,861.82	(2,514,208.10)		(2,514,208.10)
General and business administrative services	1,745,255.41			(1,745,255.41)		(1,745,255.41)
Plant operations and maintenance	4,863,863.73			(4,863,863.73)		(4,863,863.73)
Pupil transportation	1,325,804.65		72,611.00	(1,253,193.65)		(1,253,193.65)
Unallocated benefits	15,977,093.50		5,747,442.40	(10,229,651.10)		(10,229,651.10)
Interest on long-term debt	438,847.50			(438,847.50)		(438,847.50)
Unallocated depreciation and amortization	26,816.15			(26,816.15)		(26,816.15)
Total governmental activities	62,470,401.18		9,805,667.73	(52,664,733.45)		(52,664,733.45)
<b>Business-type activities:</b>						
Food Service	682,680.65	541,295.89	112,324.50		(29,060.26)	(29,060.26)
Total business-type activities	682,680.65	541,295.89	112,324.50		(29,060.26)	(29,060.26)
Total primary government	\$63,153,081.83	\$541,295.89	9,917,992.23	(\$52,664,733.45)	(\$29,060.26)	(\$52,693,793.71)
<b>General revenues:</b>						
Taxes:						
				\$48,672,853.00		\$48,672,853.00
				73,422.80		73,422.80
				171,260.13		171,260.13
				3,368,207.44		3,368,207.44
				1,303.11		1,303.11
				160,759.29		160,759.29
				52,447,805.77		52,447,805.77
				(216,927.68)	(29,060.26)	(245,987.94)
				51,207,997.93	68,873.02	51,276,870.95
				\$50,991,070.25	\$39,812.76	\$51,030,883.01

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

**FUND FINANCIAL STATEMENTS**

**SECTION – B**

## **GOVERNMENTAL FUNDS**

CRANFORD PUBLIC SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013

Exhibit B-1  
Page 1 of 2

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 445,503.90	\$ 69,711.68		\$ 5.15	\$ 515,220.73
Receivables, Net:					
Due from Other Funds	1,411,989.23				1,411,989.23
Receivables from Other Governments	451,973.69	441,034.41	5,149,307.29		6,042,315.39
Other	1,145,574.48	85,208.00			1,230,782.48
Restricted Cash and Cash Equivalents	1.00				1.00
<b>Total Assets</b>	<b>3,455,042.30</b>	<b>595,954.09</b>	<b>5,149,307.29</b>	<b>5.15</b>	<b>9,200,308.83</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	353,239.66	45,083.42			398,323.08
Intergovernmental Payable		56,226.38			56,226.38
Accrued Salaries and Benefits	103,853.77				103,853.77
Interfund Payable		483,681.32	928,307.91		1,411,989.23
Advance from Grantor		10,962.97			10,962.97
Other Current Liabilities	1,190,635.37				1,190,635.37
<b>Total Liabilities</b>	<b>1,647,728.80</b>	<b>595,954.09</b>	<b>928,307.91</b>		<b>3,171,990.80</b>
<b>Fund Balances:</b>					
<b>Restricted For:</b>					
Excess Surplus - Designated for Subsequent Year's Expenditures	441,522.60				441,522.60
Capital Reserve Account	1.00				1.00
<b>Committed For:</b>					
Year - End Encumbrances	587,169.36		47,917.28		635,086.64
<b>Assigned Fund Balance:</b>					
Designated for Subsequent Year's Expenditures	1,032,759.40			3.00	1,032,762.40
Debt Service Fund				2.15	2.15
Capital Projects Fund			4,173,082.10		4,173,082.10
<b>Unassigned, Reported In:</b>					
General Fund	(254,138.86)				(254,138.86)
<b>Total Fund Balances</b>	<b>1,807,313.50</b>		<b>4,220,999.38</b>	<b>5.15</b>	<b>6,028,318.03</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,455,042.30</b>	<b>\$ 595,954.09</b>	<b>\$ 5,149,307.29</b>	<b>\$ 5.15</b>	<b>\$ 9,200,308.83</b>

CRANFORD SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2013

Exhibit B-1  
Page 2 of 2

Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:	\$ 6,028,318.03
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$133,092,048.19 and the accumulated depreciation is \$71,768,354.77	61,323,693.42
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.	(16,292,793.79)
Short-term liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.	(80,637.92)
Transactions related to a current refunding of long-term debt, refinancing of lease agreement are not reported in the funds. Cost of issuance, net of amortization	<u>12,490.51</u>
Net position of governmental activities.	<u>\$ 50,991,070.25</u>

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 47,509,629.00	\$	\$	\$ 1,163,224.00	\$ 48,672,853.00
Tuition Charges	3,368,207.44				3,368,207.44
Miscellaneous	162,062.40				162,062.40
Local Sources		36,859.98			36,859.98
State Sources	8,541,349.20	107,495.62	135,060.18		8,783,905.00
Federal Sources		1,229,585.68			1,229,585.68
<b>Total Revenues</b>	<b>59,581,248.04</b>	<b>1,373,941.28</b>	<b>135,060.18</b>	<b>1,163,224.00</b>	<b>62,253,473.50</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	17,439,267.35	303,788.76			17,743,056.11
Special Education Instruction	6,388,921.11				6,388,921.11
Other Special Instruction	594,031.25				594,031.25
Other Instruction	1,182,189.09				1,182,189.09
<b>Support Services and Undistributed Costs:</b>					
Tuition	1,619,429.84	787,090.75			2,406,520.59
Student & Instruction Related Services	6,725,129.00	246,861.82			6,971,990.82
School Administrative Services	2,766,153.88				2,766,153.88
Other Administrative Services	1,750,229.76				1,750,229.76
Plant Operations and Maintenance	5,133,156.17				5,133,156.17
Pupil Transportation	1,322,037.50				1,322,037.50
Unallocated Benefits	15,977,093.50				15,977,093.50
<b>Debt Service:</b>					
Principal				720,000.00	720,000.00
Interest and Other Charges				443,222.50	443,222.50
Capital Outlay	738,357.79	36,199.95	337,650.46		1,112,208.20
<b>Total Expenditures</b>	<b>61,635,996.24</b>	<b>1,373,941.28</b>	<b>337,650.46</b>	<b>1,163,222.50</b>	<b>64,510,810.48</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(2,054,748.20)</b>		<b>(202,590.28)</b>	<b>1.50</b>	<b>(2,257,336.98)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Capital Leases	66,798.77				66,798.77
<b>Insurance Recovery Related to Other Costs:</b>					
Super Storm Sandy	144,803.00				144,803.00
Hurricane Irene	333,010.86				333,010.86
<b>Total Other Financing Sources and Uses</b>	<b>544,612.63</b>				<b>544,612.63</b>
<b>Net Change in Fund Balances</b>	<b>(1,510,135.57)</b>		<b>(202,590.28)</b>	<b>1.50</b>	<b>(1,712,724.35)</b>
<b>Fund Balance - July 1</b>	<b>3,317,449.07</b>		<b>4,423,589.66</b>	<b>3.65</b>	<b>7,741,042.38</b>
<b>Fund Balance - June 30</b>	<b>\$ 1,807,313.50</b>	<b>\$</b>	<b>\$ 4,220,999.38</b>	<b>\$ 5.15</b>	<b>\$ 6,028,318.03</b>

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

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

Total net change in fund balances - governmental funds (from B-2)	\$	(1,712,724.35)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
	Depreciation expense	(550,807.83)
	Capital outlays	<u>1,112,207.70</u>
		561,399.87
Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		
		933,999.71
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 net assets.		
		(66,798.77)
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)		
		(18,679.42)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		
		4,375.00
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		84,498.00
Amortization Expenses - Net		<u>(2,997.72)</u>
Change in net position of governmental activities	\$	<u><u>(216,927.68)</u></u>

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

## **PROPRIETARY FUNDS**

CRANFORD PUBLIC SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013

	Food Service	Totals
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 72,046.30	\$ 72,046.30
Accounts Receivable	50,666.18	50,666.18
Inventories	2,700.19	2,700.19
Total Current Assets	125,412.67	125,412.67
Noncurrent Assets:		
Furniture, Machinery & Equipment	241,803.35	241,803.35
Less Accumulated Depreciation	(195,718.48)	(195,718.48)
Total Noncurrent Assets	46,084.87	46,084.87
Total Assets	171,497.54	171,497.54
<b>LIABILITIES:</b>		
Current Liabilities:		
Accounts Payable	131,454.84	131,454.84
Intergovernmental Payable	229.94	229.94
Total Current Liabilities	131,684.78	131,684.78
Total Liabilities	131,684.78	131,684.78
<b>NET POSITION:</b>		
Invested in Capital Assets - Net of Related Debt	46,084.87	46,084.87
Unrestricted (Deficit)	(6,272.11)	(6,272.11)
Total Net Position	\$ 39,812.76	\$ 39,812.76

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

CRANFORD PUBLIC SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Business-type Activities</u>	<u>Total Enterprise Funds</u>
	Food Service	
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 287,861.85	\$ 287,861.85
Daily Sales - Non-reimbursable Programs	<u>253,434.04</u>	<u>253,434.04</u>
Total Operating Revenues	<u>541,295.89</u>	<u>541,295.89</u>
Operating Expenses:		
Purchased Property Services	31,650.00	31,650.00
Other Purchased Services	635,134.83	635,134.83
Depreciation	<u>15,895.82</u>	<u>15,895.82</u>
Total Operating Expenses	<u>682,680.65</u>	<u>682,680.65</u>
Operating Income (Loss)	<u>(141,384.76)</u>	<u>(141,384.76)</u>
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	5,848.84	5,848.84
Federal Sources:		
National School Lunch Program	83,414.25	83,414.25
Food Distribution Program	<u>23,061.41</u>	<u>23,061.41</u>
Total Nonoperating Revenues (Expenses)	<u>112,324.50</u>	<u>112,324.50</u>
Income (Loss) before Transfers	<u>(29,060.26)</u>	<u>(29,060.26)</u>
Change in Net Position	(29,060.26)	(29,060.26)
Total Net Position - Beginning	<u>68,873.02</u>	<u>68,873.02</u>
Total Net Position - Ending	<u>\$ 39,812.76</u>	<u>\$ 39,812.76</u>

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

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

	Business-Type Activities	Total Enterprise Funds
	Food Service	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Receipts from Customers	\$ 541,295.89	\$ 541,295.89
Cash Received from Third Party Provider	30,750.00	30,750.00
Payments to Suppliers for Goods and Services	<u>(592,012.28)</u>	<u>(592,012.28)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(19,966.39)</u>	<u>(19,966.39)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Federal and State Sources	<u>86,482.88</u>	<u>86,482.88</u>
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>86,482.88</u>	<u>86,482.88</u>
Net Increase (Decrease) in Cash and Cash Equivalents	66,516.49	66,516.49
Cash and Cash Equivalents at Beginning of Year	<u>5,529.81</u>	<u>5,529.81</u>
Cash and Cash Equivalents at End of Year	<u>\$ 72,046.30</u>	<u>\$ 72,046.30</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	\$ (141,384.76)	\$ (141,384.76)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	15,895.82	15,895.82
Food Distribution Program	23,061.41	23,061.41
(Increase) Decrease in Accounts Receivable	(900.00)	(900.00)
(Increase) Decrease in Inventories	1,035.15	1,035.15
Increase (Decrease) in Accounts Payable	<u>82,325.99</u>	<u>82,325.99</u>
Total Adjustments	<u>121,418.37</u>	<u>121,418.37</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (19,966.39)</u>	<u>\$ (19,966.39)</u>

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

## **FIDUCIARY FUNDS**

CRANFORD PUBLIC SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY NET POSITION  
JUNE 30, 2013

	<u>Unemployment Compensation Trust</u>	<u>Agency Fund</u>
<b>ASSETS:</b>		
Cash and Cash Equivalents	<u>\$142,989.69</u>	<u>\$1,266,070.93</u>
Total Assets	<u>142,989.69</u>	<u>1,266,070.93</u>
<b>LIABILITIES:</b>		
Accounts Payable	3,791.25	
Payroll Deductions and Withholdings		264,795.50
Accrued Salaries and Wages		725,231.60
Payable to Student Groups		<u>276,043.83</u>
Total Liabilities	<u>3,791.25</u>	<u>\$1,266,070.93</u>
<b>NET POSITION:</b>		
Held in Trust for Unemployment Claims and Other Purposes	<u>139,198.44</u>	
Total Net Position	<u>\$139,198.44</u>	

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

CRANFORD PUBLIC SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Unemployment Compensation Trust</u>
<b>ADDITIONS</b>	
Contributions:	
Plan Member	\$ 56,897.81
Board Contribution	<u>150,000.00</u>
Total Contributions	<u>206,897.81</u>
Total Additions	<u>206,897.81</u>
<b>DEDUCTIONS</b>	
Quarterly Contributions Reports	<u>91,754.53</u>
Total Deductions	<u>91,754.53</u>
Change in Net Position	115,143.28
Net Position - Beginning of the Year	<u>24,055.16</u>
Net Position - End of the Year	<u>\$ 139,198.44</u>

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

TOWNSHIP OF CRANFORD SCHOOL DISTRICT  
COUNTY OF UNION, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-Wide Financial Statements**

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

**B. Reporting Entity:**

The Township of Cranford School District is a Type II district located in the County of Union, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Township of Cranford School District had an enrollment at June 30, 2013 of 3,896 students.

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

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

Based on the aforementioned criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**C. Basis of Presentation – Government-Wide Financial Statements**

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

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

**D. Basis of Presentation – Fund Financial Statements:**

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

The District reports the following major governmental funds:

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

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

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

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

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

**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.

**Permanent Fund** – The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

## NOTES TO FINANCIAL STATEMENTS

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

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

The District reports the following major enterprise funds:

**Food Service Fund** – the Food Service Fund is used to account for the activities of the cafeteria operations of the District.

The District also reports the following fiduciary fund types:

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

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

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

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

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

**E. Measurement Focus and Basis of Accounting:**

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### F. Budgets/Budgetary Control:

Annual budgets are adopted for the general, special revenue and debt service funds using a regulatory basis of accounting, which differs from generally accepted accounting principles in one material respect. Budgetary revenues for certain nonexchange state aid transactions are recognized for budgetary purposes in the fiscal period prior to the period in which the state recognizes expenditures/expenses. The amounts of the adjustments needed to reconcile the budgetary basis to the GAAP based fund financial statements are set forth in the explanation of differences schedules, which follow.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. Pursuant to changes in the Local District School Budget Law, statutorily conforming base budgets of Districts with annual school elections held in November are no longer required to be presented to the voters for approval on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m) 1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. New Jersey statutes place limitations on the Board's ability to increase budgeted expenditures through the appropriation of previously undesignated fund balance and requires the District to obtain additional approvals when budgetary transfers, measured using the advertised budgetary account totals rather than line-item totals, exceed certain thresholds. The Board of Education did not make any supplemental budgetary appropriations during the fiscal year that required additional approvals from oversight agencies.

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

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

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



## NOTES TO FINANCIAL STATEMENTS

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

#### **G. Cash, Cash Equivalents and Investments:**

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

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

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

N.J.S.A. 17:9-41 ET. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

#### **H. Tuition Payable**

Tuition charges for the fiscal years 2011-2012 and 2012-2013 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

#### **I. Inventories and Prepaid Expenses:**

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

NOTES TO FINANCIAL STATEMENTS

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

**J. Short-Term Interfund Receivables/Payables:**

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

**K. Capital Assets:**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000.00 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated costs.

Capital assets are recorded in the District-wide financial statements, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

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

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

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

Food Service Fund:	
Equipment	10 Years

**L. Accounts Receivable State – Capital Projects Fund**

The District received approval for state grants in the amounts of \$2,099,527.00 for the 2002 School Board Referendum and \$7,992,506.00 for the 2009 School Board Referendum, to make improvements to various school buildings in the District. The state grant participation in the projects represents 40% of total project costs of \$6,271,527.00 and \$19,981,269.00, respectively, of costs deemed eligible as determined by the Commissioner of Education. The state has also established a fixed schedule for the submission of reimbursement vouchers, which is based upon the achievement of certain percentage of completion.

The District recognizes state grant revenue as earned, i.e., as eligible expenditures are incurred, at the rate of 40% of said expenditures. It is assumed that project completion will continue at a pace that will permit the filing of reimbursement vouchers within a time frame, which meets the availability criterion for revenue recognition under GAAP. Through June 30, 2013, the District has recognized a total of \$7,201,774.07 in state grant revenue, of which \$11,421.43 has not been received for the 2002 referendum and \$5,137,885.86 has not been received for the 2009 referendum.

## NOTES TO FINANCIAL STATEMENTS

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

#### M. 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 related to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences".

The entire compensated absences liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences in the amount expected to be paid using expendable available resources. The non-current portion of the liability is not reported.

#### N. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recorded as an outflow of resources (expenditure/expense) until that time. The District is reporting one item in this category Deferred Bond Issue Costs. Deferred bond issue costs represent the costs associated with the sale of debt instruments to finance capital acquisition costs, and is amortized over the life of the associated debt instruments. See Note 15 regarding the prospective change in accounting policies relating to Deferred Bond Issue Costs required in the 2013-2014 fiscal period by GASB Statement No. 65.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recorded as an inflow of resources (revenue) until that time.

#### O. Unearned Revenue/Advances from Grantors:

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

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

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

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

**Q. Fund Balance Flow Assumption (Governmental Fund Financial Statements)**

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

**R. Fund Balance Policies:**

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

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

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

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

**S. District-Wide Financial Statement Classifications**

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

**T. Proprietary Fund Operating and Nonoperating Revenues and Expenses**

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

**NOTES TO FINANCIAL STATEMENTS**

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

**U. Reconciliation of District-Wide and Fund Financial Statements**

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

Total Governmental Fund Balance (B-1)	\$6,028,318.03
Adjustments to District-Wide Net Position:	
Capital Assets (see Note 3)	61,323,693.42
Long-Term Liabilities (see Note 4)	(16,292,793.79)
Other Items not recognized in Fund Financial Statements:	
Accrued Interest on Long-term Debt	(80,637.92)
Unamortized Bond Issue Costs	<u>12,490.51</u>
Net Position of Governmental Activities	<u>\$50,991,070.25</u>

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

Total Net Change Governmental Fund Balance (B-2)	\$(1,712,724.35)
Adjustments to District-Wide Net Position:	
Depreciation on Capital Assets (see Note 3)	561,399.87
Repayment of Long-Term Liabilities (see Note 4)	933,999.71
Capital Leases Issued	(66,798.77)
Other Adjustments to Fund Financial Statements:	
Gain on Disposal of Capital Assets	(18,679.42)
Compensated Absences	84,498.00
Interest on Long-term Debt (Accrual Basis for District-Wide)	4,375.00
Amortization of Deferred bond Issue Costs	<u>(2,997.72)</u>
Net Position of Governmental Activities	<u>\$(216,927.68)</u>

**V. Estimates:**

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Depository Account	Bank Balance
Insured - FDIC	\$ 250,000.00
Insured – NJGUDPA (N.J.S.A.17:9-41)	<u>2,104,014.49</u>
Total Deposits	<u>\$ 2,354,014.49</u>

**Custodial Credit Risk – Deposits-** Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013, \$0.00 of the Board's bank balance of \$2,354,014.49 was exposed to custodial risk. (See Note 1-F. relating to statutory mitigation of custodial risk in the event of a bank failure).

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

As of June 30, 2013, the District had \$48,175.76 on deposit with the New Jersey Cash Management Fund and \$150,227.37 with TD Bank Cash Management Fund.

**NOTE 3. FIXED ASSETS**

CRANFORD SCHOOL DISTRICT  
CAPITAL ASSETS NOTE DISCLOSURE  
DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS (UNAUDITED)

The governmental fund balance sheet includes a reconciliation between fund balance - total government funds and net position - governmental activities as reported in the District-wide statement of net position. One item of that reconciliation explains that capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. An addition to the fund balance - total governmental funds is made to reflect the carrying value of the District's capital assets at year-end in the District-wide financial statements, which consist of:

Total capital assets at cost	\$ 133,092,048.19
Less: accumulated depreciation	<u>(71,768,354.77)</u>
<b>Government Activities Capital Assets, Net</b>	<b>\$ <u>61,323,693.42</u></b>

Capital assets by classification and activity for the year ended June 30, 2013 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
<b>Governmental Activities:</b>				
<b>Capital Assets That Are Not Being Depreciated:</b>				
Land	\$ 41,197,641.00	\$	\$	\$ 41,197,641.00
Construction in Progress	<u>12,576,146.91</u>	<u>668,399.66</u>	<u>                    </u>	<u>13,244,546.57</u>
<b>Total Capital Assets Not Being Depreciated</b>	<b><u>53,773,787.91</u></b>	<b><u>668,399.66</u></b>	<b><u>                    </u></b>	<b><u>54,442,187.57</u></b>
Building and Building Improvements	73,085,995.67	113,006.00	<u>                    </u>	73,199,001.67
Improvements other than Buildings	424,399.00	<u>                    </u>	<u>                    </u>	424,399.00
Machinery, Equipment, Furniture & Vehicles	<u>4,857,331.88</u>	<u>330,802.04</u>	<u>161,673.97</u>	<u>5,026,459.95</u>
<b>Totals at Historical Cost</b>	<b><u>78,367,726.55</u></b>	<b><u>443,808.04</u></b>	<b><u>161,673.97</u></b>	<b><u>78,649,860.62</u></b>
<b>Less Accumulated Depreciation For:</b>				
Building and Building Improvements	(67,968,477.69)	(215,805.24)	<u>                    </u>	(68,184,282.93)
Improvements other than Buildings	(389,265.93)	(17,542.93)	<u>                    </u>	(406,808.86)
Equipment, Furniture, and Vehicles	<u>(3,002,797.87)</u>	<u>(317,459.66)</u>	<u>(142,994.55)</u>	<u>(3,177,262.98)</u>
<b>Total Accumulated Depreciation</b>	<b><u>(71,360,541.49)</u></b>	<b><u>(550,807.83)</u></b>	<b><u>(142,994.55)</u></b>	<b><u>(71,768,354.77)</u></b>
<b>Total Capital Assets Being Depreciated</b> <b>(Net of Accumulated Depreciation)</b>	<b><u>7,007,185.06</u></b>	<b><u>(106,999.79)</u></b>	<b><u>18,679.42</u></b>	<b><u>6,881,505.85</u></b>
<b>Government Activities Capital Assets, Net</b>	<b>\$ <u>60,780,972.97</u></b>	<b>\$ <u>561,399.87</u></b>	<b>\$ <u>18,679.42</u></b>	<b>\$ <u>61,323,693.42</u></b>
<b>Business-type Activities</b>				
Equipment	241,803.35	<u>                    </u>	<u>                    </u>	241,803.35
<b>Less Accumulated Depreciation for:</b>				
Equipment	<u>(179,822.66)</u>	<u>                    </u>	<u>15,895.82</u>	<u>(195,718.48)</u>
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ <u>61,980.69</u></b>	<b>\$ <u>                    </u></b>	<b>\$ <u>15,895.82</u></b>	<b>\$ <u>46,084.87</u></b>

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

Instruction	\$ 211,096.54
Direct expense of various functions	<u>339,711.29</u>
<b>Total depreciation expense</b>	<b>\$ <u>550,807.83</u></b>

**NOTE 4: LONG-TERM LIABILITIES**

CRANFORD SCHOOL DISTRICT  
LONG TERM DEBT DISCLOSURE  
DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES (UNAUDITED)

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

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$ 14,025,000.00	\$	\$ 720,000.00	\$ 13,305,000.00	\$ 755,000.00
Total Bonds Payable	<u>14,025,000.00</u>	<u></u>	<u>720,000.00</u>	<u>13,305,000.00</u>	<u>755,000.00</u>
Other Liabilities:					
Obligations Under Capital Lease	585,122.73	66,798.77	213,999.71	437,921.79	133,110.24
Compensated Absences Payable	<u>2,634,370.00</u>	<u>59,991.00</u>	<u>144,489.00</u>	<u>2,549,872.00</u>	<u>95,276.00</u>
Total Other Liabilities	<u>3,219,492.73</u>	<u>126,789.77</u>	<u>358,488.71</u>	<u>2,987,793.79</u>	<u>228,386.24</u>
Total Liabilities	<u>\$ 17,244,492.73</u>	<u>\$ 126,789.77</u>	<u>\$ 1,078,488.71</u>	<u>\$ 16,292,793.79</u>	<u>\$ 983,386.24</u>

**NOTES TO FINANCIAL STATEMENTS**

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

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

Principal and interest due on bonds outstanding as at June 30, 2013 is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$755,000.00	\$423,852.50	\$1,178,852.50
2015	790,000.00	403,077.50	1,193,077.50
2016	825,000.00	381,017.50	1,206,017.50
2017	865,000.00	357,362.50	1,222,362.50
2018	902,000.00	331,897.50	1,233,897.50
2019	540,000.00	312,657.50	852,657.50
2020	560,000.00	299,232.50	859,232.50
2021	580,000.00	283,907.50	863,907.50
2022	610,000.00	266,782.50	876,782.50
2023	630,000.00	248,182.50	878,182.50
2024	670,000.00	228,263.75	898,263.75
2025	710,000.00	206,257.50	916,257.50
2026	740,000.00	179,920.00	919,920.00
2027	780,000.00	149,520.00	929,520.00
2028	830,000.00	117,320.00	947,320.00
2029	840,000.00	83,920.00	923,920.00
2030	840,000.00	50,320.00	890,320.00
2031	<u>838,000.00</u>	<u>16,760.00</u>	<u>854,760.00</u>
	<u>\$ 13,305,000.00</u>	<u>\$ 4,340,251.25</u>	<u>\$17,645,251.25</u>

**B. Bonds Authorized But Not Issued** -- As of June 30, 2013, the District had bonds authorized but not issued outstanding in the amount of \$763.00.

**C. Capital Leases** -- The District is leasing copier equipment, playground equipment, and maintenance vehicle under capital leases. Following are schedules of the future lease payments under the respective capital leases, and the present value of net minimum lease payments at June 30, 2013:

Lease Purchase Agreements – Playground Equipment:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	<u>\$48,333.25</u>	<u>\$1,713.22</u>	<u>\$50,046.47</u>
	<u>\$48,333.25</u>	<u>\$ 1,713.22</u>	<u>\$50,046.47</u>

**NOTES TO FINANCIAL STATEMENTS**

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

**C. Capital Leases (Cont'd.)**

Lease Purchase Agreements – Maintenance Vehicle:

<b>Year ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2014	\$8,944.26	\$1,262.63	\$10,206.89
2015	9,346.75	860.14	10,206.89
2016	<u>9,767.36</u>	<u>439.53</u>	<u>10,206.89</u>
	<u>\$ 28,058.37</u>	<u>\$ 2,562.30</u>	<u>\$ 30,620.67</u>

Lease Purchase Agreements – Copiers

<b>Year ending June 30,</b>	<b>Principal &amp; Interest</b>	<b>Total</b>
2014	\$133,110.24	\$133,110.24
2015	124,429.10	124,429.10
2016	78,781.68	78,781.68
2017	21,380.55	21,380.55
2018	<u>3,828.60</u>	<u>3,828.60</u>
	<u>\$361,530.17</u>	<u>\$361,530.17</u>

**D. Bond Referendum**

On March 11, 2002, the District held a School Board Referendum. The School District voters approved the referendum, which consisted of the following:

Construction of additional classrooms to Walnut Avenue K-2 Elementary School and various renovations, upgrades and improvements to various school facilities within the School District in an amount not to exceed \$6,271,785, and authorizing the issuance of bonds in the amount of \$4,172,000.

Of the total amount of \$6,271,785, School District Bonds dated September 15, 2002 were issued in the amount of \$4,172,000.

Furthermore, the Board of Education has received grant approval from the State of New Jersey Economic Development Authority in the amount of \$2,099,527.

## NOTES TO FINANCIAL STATEMENTS

### **D. Bond Referendum (Cont'd.)**

On December 8, 2009, the District held a School Board Referendum. The School District voters approved the referendum, which consisted of the following:

Undertake district-wide roof/energy efficiency improvement projects including roof replacement at all schools; heating/ventilation upgrades at Brookside Place School, Walnut Avenue School and Bloomingdale Avenue School; and boiler replacement at Orange Avenue School, Hillside Avenue School and Lincoln School; expend on such projects an aggregate amount not exceeding \$19,981,269, which expenditure shall be funded, in part, with a \$7,992,506 State grant, based on aggregate final eligible costs of \$19,981,269 as determined by the Commissioner of Education; and issue bonds in an aggregate amount not exceeding \$11,988,763 representing the School District's local share of projects costs. The local shares of each of the projects may be transferred among projects.

Of the total amount of \$19,981,269, the School District Bonds received authorization to issue bonds in the amount of \$11,988,763, which represents the School Districts local share of the project costs.

Furthermore, the Board of Education has received grant approval from the State of New Jersey Schools Development Authority in the amount of \$7,992,506.

### **NOTE 5. PENSION PLANS**

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

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. PENSION PLANS (CONT'D.)**

**Vesting and Benefit Provisions** - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A: 6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years).

Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

**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% 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 cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

**Three-Year Trend Information for PERS (Paid by District)**

<b><u>Year Funding</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
6/30/13	\$ 614,818	100 %	\$ 0
6/30/12	650,947	100	0
6/30/11	626,653	100	0

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

<b><u>Year Funding</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
6/30/13	\$ 1,733,732	100 %	\$ 0
6/30/12	831,043	100	0
6/30/11	47,065	100	0

During the 2010-2011 school year the State of New Jersey made no on-behalf payments to the TPAF system for normal pension costs or accrued liability. The amount reported above for that year represents payments for the costs of non-contributory group life insurance premiums. In accordance with N.J.S.A. 18A: 66-66 the State of New Jersey reimbursed the District \$2,053,296.40 during the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. POST-RETIREMENT BENEFITS**

This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 24.

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and Public Employee's Retirement System (PERS), respectively, to fund postretirement 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 the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

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

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

<b><u>Year</u></b> <b><u>Funding</u></b>	<b><u>Annual Post</u></b> <b><u>Retirement</u></b> <b><u>Medical</u></b> <b><u>Cost (APC)</u></b>	<b><u>Percentage</u></b> <b><u>of APC</u></b> <b><u>Contributed</u></b>	<b><u>Net</u></b> <b><u>Pension</u></b> <b><u>Obligation</u></b>
6/30/13	\$ 1,960,413	100 %	\$ 0
6/30/12	1,670,613	100	0
6/30/11	1,704,678	100	0

**NOTE 7. COMPENSATED ABSENCES**

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

District employees are granted varying amounts of vacation and sick leave in accordance with the district's personnel policy. Upon termination, employees are paid for accrued vacation in accordance with the District's agreements with the various employee unions or individual employment contracts. 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 Districts' agreements with the various employee unions or individual employment contracts.

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

**NOTE 7. COMPENSATED ABSENCES (CONT'D.)**

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

**NOTE 8. 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 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 its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of employee contributions and interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior two years:

<u>Fiscal Year</u>	<u>Contributions/Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$ 206,897.81	\$ 91,754.53	\$ 139,198.44
2011-2012	54,055.28	116,262.86	24,055.16
2010-2011	53,472.41	230,676.34	86,262.74

The Board, along with other school districts, is a member of the Diploma Joint Insurance Fund for Workers' Compensation Insurance Coverage. The Fund is organized and operated pursuant to the regulatory authority of the Department of Banking and Insurance, State of New Jersey and provides for a pooling of risks, subject to established limits and deductibles. In addition, the Fund has obtained excess liability coverages for participants.

At June 30, 2013, the last available audit report, the Fund reported case revenue and losses incurred but not reported (IBNR) in excess of fund balance for all years of \$1,591,565.00.

**NOTE 9. INTERFUND RECEIVABLES AND PAYABLES**

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 1,411,989.23	\$
Capital Projects Fund		928,307.91
Special Revenue Fund		483,681.32
Total	\$ <u>1,411,989.23</u>	\$ <u>1,411,989.23</u>

**NOTE 10. INVENTORY**

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

Food	\$	1,663.83
Supplies		<u>1,036.36</u>
	\$	<u><u>2,700.19</u></u>

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

**NOTE 11. FUND BALANCE APPROPRIATED**

**General Fund (B-1)** - Of the \$1,807,313.50 General Fund balance at June 30, 2013, \$587,169.36 is reserved for encumbrances; \$441,522.60 has been reserved as "Excess Surplus N.J.S.A. 18A: 7F-7 (\$441,522.60 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2014); \$1.00 has been reserved in the Capital Reserve Account; \$1,032,759.40 has been appropriated and included as anticipated revenue for the year ending June 30, 2014; and \$(254,138.86) is unassigned.

**Debt Service Fund (B-1)** – The \$5.15 Debt Service Fund balance at June 30, 2013 \$3.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2014 and \$2.15 is assigned.

**Capital Projects Fund (B-1)** - Of the \$4,220,999.38 Capital Projects Fund balance at June 30, 2013, \$47,917.28 is reserved for encumbrances and \$4,173,082.10 is assigned.

**NOTE 12. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A: 7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013, calculated on a budgetary basis pursuant to statute, is \$0.00. The amount of \$441,552.60 as shown on the balance sheet for governmental funds represents prior year excess surplus that has been appropriated as revenue in the 2013-14 budget.

**NOTE 13. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Cranford Township Board of Education by inclusion of \$1.00 on September 25, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

**NOTE 13. CAPITAL RESERVE ACCOUNT (CONT'D.)**

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of four special elections authorized pursuant to N.J.S.A 19:60 – 2. Pursuant to N.J.A.C. 6:23A-5.1 (d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted projects in its approved LRFP.

**NOTE 14. DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$(254,138.86) at June 30, 2013 that would have been reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State recognizes the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the General and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A: 22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$(254,138.86) is less than the last state aid payment.

**NOTE 15. PENDING LITIGATION AND CONTINGENT LIABILITIES**

- I. PENDING LITIGATION - As at the date of this report, there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the Cranford School District.
- II. PROSPECTIVE CHANGE IN ACCOUNTING PRINCIPLE – During the 2013-2013 fiscal period, the District will adopt the provisions of GASB Statement No. 65. The adoption of this standard will require a write-down of \$12,490.51 of Deferred Outflows (Deferred Bond Issue Costs) as of July 1, 2013, requiring a restatement of the unrestricted net position of the District from \$(1,839,398.87) to \$(1,851,889.38). The adoption of this standard will not impact the reporting of general fund balance.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**PART II**

**BUDGETARY COMPARISON SCHEDULES**

**SECTION – C**

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (GAAP BASIS)</u>	<u>VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL</u>
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 47,509,629.00	\$	\$ 47,509,629.00	\$ 47,509,629.00	\$
Tuition	3,048,318.00	274,049.85	3,322,367.85	3,368,207.44	45,839.59
Miscellaneous	145,500.00		145,500.00	162,062.40	16,562.40
<b>Total - Local Sources</b>	<u>50,703,447.00</u>	<u>274,049.85</u>	<u>50,977,496.85</u>	<u>51,039,898.84</u>	<u>62,401.99</u>
<b>State Sources:</b>					
Categorical Transportation Aid	72,611.00		72,611.00	72,611.00	
Extraordinary Aid	439,433.00		439,433.00	665,103.00	225,670.00
Categorical Special Education Aid	2,003,509.00		2,003,509.00	2,003,509.00	
Equalization Aid	103,805.00		103,805.00	103,805.00	
Other State Aid	55,760.00		55,760.00	73,422.80	17,662.80
On-behalf TPAF Pension Contributions (non-budgeted)				1,733,733.00	1,733,733.00
On-behalf Post Retirement Medical Contributions (non-budgeted)				1,960,413.00	1,960,413.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,053,296.40	2,053,296.40
<b>Total - State Sources</b>	<u>2,675,118.00</u>		<u>2,675,118.00</u>	<u>8,665,893.20</u>	<u>5,990,775.20</u>
<b>Total Revenues</b>	<u>53,378,565.00</u>	<u>274,049.85</u>	<u>53,652,614.85</u>	<u>59,705,792.04</u>	<u>6,053,177.19</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction:</b>					
<b>Salaries of Teachers:</b>					
Preschool/Kindergarten	375,952.00	(17,804.50)	358,147.50	358,147.50	
Grades 1- 5	6,543,798.00	(239,123.63)	6,304,674.37	6,304,670.37	4.00
Grades 6- 8	3,616,350.00	131,684.62	3,748,034.62	3,748,034.62	
Grades 9-12	5,903,197.00	(90,393.83)	5,812,803.17	5,812,802.54	0.63

CRANFORD PUBLIC SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (GAAP BASIS)</u>	<u>VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL</u>
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 43,753.00	\$ (17,973.46)	\$ 25,779.54	\$ 25,779.54	\$
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	120,042.00	16,556.46	136,598.46	136,598.46	
Purchased Professional - Educational Services	10,000.00	(793.60)	9,206.40	8,982.00	224.40
Other Purchased Services	315,700.91	(33,987.52)	281,713.39	220,448.02	61,265.37
General Supplies	729,107.40	77,888.90	806,996.30	728,104.82	78,891.48
Textbooks	125,767.00	(24,995.68)	100,771.32	94,971.48	5,799.84
Other Objects	450.00	280.00	730.00	728.00	2.00
<b>Total Regular Programs - Instruction</b>	<u>17,784,117.31</u>	<u>(198,662.24)</u>	<u>17,585,455.07</u>	<u>17,439,267.35</u>	<u>146,187.72</u>
Cognitive Mild:					
Salaries of Teachers	65,408.00	(1,910.90)	63,497.10	63,497.10	
Other Salaries for Instruction	50,951.00	(7,408.38)	43,542.62	43,542.62	
<b>Total Cognitive Mild</b>	<u>116,359.00</u>	<u>(9,319.28)</u>	<u>107,039.72</u>	<u>107,039.72</u>	
Learning and/or Language Disabilities:					
Salaries of Teachers	295,664.00	(55,435.87)	240,228.13	240,228.13	
Other Salaries for Instruction	93,401.00	22,059.07	115,460.07	115,460.07	
General Supplies	2,707.00	(500.00)	2,207.00	2,190.88	16.12
Textbooks	500.00	(500.00)			
<b>Total Learning and/or Language Disabilities</b>	<u>392,272.00</u>	<u>(34,376.80)</u>	<u>357,895.20</u>	<u>357,879.08</u>	<u>16.12</u>
Visual Impairments:					
Purchased Professional - Educational Services	11,900.00	(11,900.00)			
<b>Total Visual Impairments</b>	<u>11,900.00</u>	<u>(11,900.00)</u>			

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (GAAP BASIS)</u>	<u>VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL</u>
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Special Education (Cont'd.):					
Behavioral Disabilities:					
Salaries of Teachers	\$ 1,193,100.00	\$ 60,954.42	\$ 1,254,054.42	\$ 1,254,054.42	\$
Other Salaries for Instruction	449,935.00	55,538.25	505,473.25	505,473.25	
Purchased Professional - Educational Services		950.00	950.00	950.00	
Other Purchased Services	13,920.00	(650.00)	13,270.00	12,101.56	1,168.44
General Supplies	38,450.00	(3,315.00)	35,135.00	34,740.22	394.78
Textbooks	3,500.00	(800.00)	2,700.00	2,666.10	33.90
Other Objects	9,657.00	1,150.00	10,807.00	10,773.83	33.17
<b>Total Behavioral Disabilities</b>	<u>1,708,562.00</u>	<u>113,827.67</u>	<u>1,822,389.67</u>	<u>1,820,759.38</u>	<u>1,630.29</u>
Multiple Disabilities					
Salaries of Teachers	58,571.00	2,027.30	60,598.30	60,598.30	
Other Salaries for Instruction	95,808.00	104.00	95,912.00	95,912.00	
General Supplies	500.00	(405.30)	94.70	94.70	
<b>Total Multiple Disabilities</b>	<u>154,879.00</u>	<u>1,726.00</u>	<u>156,605.00</u>	<u>156,605.00</u>	
Resource Room/Resource Center:					
Salaries of Teachers	3,048,123.00	88,969.88	3,137,092.88	3,137,092.88	
General Supplies	24,386.45	922.08	25,308.53	24,728.40	580.13
Textbooks	5,557.00	(5,557.00)			
<b>Total Resource Room/Resource Center</b>	<u>3,078,066.45</u>	<u>84,334.96</u>	<u>3,162,401.41</u>	<u>3,161,821.28</u>	<u>580.13</u>
Autism:					
Salaries of Teachers	59,969.00	68,324.50	128,293.50	128,293.50	
Other Salaries for Instruction	162,024.00	31,391.80	193,415.80	193,415.80	
General Supplies	1,500.00		1,500.00	1,408.73	91.27
<b>Total Autism</b>	<u>223,493.00</u>	<u>99,716.30</u>	<u>323,209.30</u>	<u>323,118.03</u>	<u>91.27</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Special Education (Cont'd.):					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 201,396.00	\$ 30,371.08	\$ 231,767.08	\$ 231,767.08	\$
Other Salaries for Instruction	118,633.00	36,313.47	154,946.47	154,945.98	0.49
General Supplies	4,750.00	(1,700.00)	3,050.00	2,937.74	112.26
<b>Total Preschool Disabilities - Part-Time</b>	<b>324,779.00</b>	<b>64,984.55</b>	<b>389,763.55</b>	<b>389,650.80</b>	<b>112.75</b>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	66,617.00	(66,616.88)	0.12		0.12
Other Salaries for Instruction	69,132.00	(69,131.10)	0.90		0.90
General Supplies					
<b>Total Preschool Disabilities - Full-Time</b>	<b>135,749.00</b>	<b>(135,747.98)</b>	<b>1.02</b>		<b>1.02</b>
Special Education - Home Instruction:					
Salaries of Teachers	65,812.00	(14,540.82)	51,271.18	51,271.18	
Purchased Professional - Educational Services	23,523.00		23,523.00	20,776.64	2,746.36
<b>Total Special Education - Home Instruction</b>	<b>89,335.00</b>	<b>(14,540.82)</b>	<b>74,794.18</b>	<b>72,047.82</b>	<b>2,746.36</b>
<b>Total Special Education</b>	<b>6,235,394.45</b>	<b>158,704.60</b>	<b>6,394,099.05</b>	<b>6,388,921.11</b>	<b>5,177.94</b>
Basic Skills/Remedial:					
Salaries of Teachers	570,229.00	(25,540.85)	544,688.15	544,688.15	
General Supplies	4,720.00	(1,444.71)	3,275.29	3,257.30	17.99
<b>Total Basic Skills/Remedial</b>	<b>574,949.00</b>	<b>(26,985.56)</b>	<b>547,963.44</b>	<b>547,945.45</b>	<b>17.99</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Bilingual Education:					
Salaries of Teachers	\$ 29,474.00	\$ 16,611.80	\$ 46,085.80	\$ 46,085.80	\$
General Supplies	500.00		500.00		500.00
<b>Total Bilingual Education</b>	<b>29,974.00</b>	<b>16,611.80</b>	<b>46,585.80</b>	<b>46,085.80</b>	<b>500.00</b>
School - Sponsored Cocurricular Activities:					
Salaries	257,353.00	14,029.00	271,382.00	271,382.00	
Purchased Services	25,350.00	(3,140.00)	22,210.00	21,679.43	530.57
Supplies and Materials	15,185.00	(3,754.20)	11,430.80	10,469.25	961.55
Other Objects	25,531.00	(2,056.00)	23,475.00	23,385.71	89.29
<b>Total School - Sponsored Cocurricular Activities</b>	<b>323,419.00</b>	<b>5,078.80</b>	<b>328,497.80</b>	<b>326,916.39</b>	<b>1,581.41</b>
School - Sponsored Athletics:					
Salaries	420,171.00	(352.37)	419,818.63	417,373.63	2,445.00
Purchased Services	139,020.00	14,290.00	153,310.00	150,568.83	2,741.17
Supplies and Materials	79,803.57	11,017.00	90,820.57	86,700.89	4,119.68
Other Objects	26,205.00	1,556.00	27,761.00	22,275.51	5,485.49
<b>Total School - Sponsored Athletics</b>	<b>665,199.57</b>	<b>26,510.63</b>	<b>691,710.20</b>	<b>676,918.86</b>	<b>14,791.34</b>
Summer School - Instruction:					
Salaries of Teachers	50,080.00	(1,230.87)	48,849.13	48,849.13	
Other Salaries for Instruction	36,862.00	1,358.00	38,220.00	38,220.00	
Purchased Professional and Technical Services	20,000.00	(4,235.50)	15,764.50	15,764.08	0.42
<b>Total Summer School - Instruction</b>	<b>106,942.00</b>	<b>(4,108.37)</b>	<b>102,833.63</b>	<b>102,833.21</b>	<b>0.42</b>
Summer School - Support Services:					
Salaries	1,432.00	56.50	1,488.50	1,488.50	
<b>Total Summer School - Support Services</b>	<b>1,432.00</b>	<b>56.50</b>	<b>1,488.50</b>	<b>1,488.50</b>	
<b>Total Summer School</b>	<b>108,374.00</b>	<b>(4,051.87)</b>	<b>104,322.13</b>	<b>104,321.71</b>	<b>0.42</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (GAAP BASIS)</u>	<u>VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL</u>
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Community Services Programs/Operations:					
Salaries	\$ 31,596.00	\$ (8,539.27)	\$ 23,056.73	\$ 23,056.73	\$
Purchased Services	<u>55,047.00</u>	<u>130.00</u>	<u>55,177.00</u>	<u>50,975.40</u>	<u>4,201.60</u>
Total Community Services Programs/Operations	<u>86,643.00</u>	<u>(8,409.27)</u>	<u>78,233.73</u>	<u>74,032.13</u>	<u>4,201.60</u>
Total Instruction	<u>25,808,070.33</u>	<u>(31,203.11)</u>	<u>25,776,867.22</u>	<u>25,604,408.80</u>	<u>172,458.42</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAS Within the State - Special	715,404.00	(23,747.62)	691,656.38	691,656.38	
Tuition to County Vocational School Districts - Regular	194,000.00	53,178.00	247,178.00	247,178.00	
Tuition to County Vocational School Districts - Special	20,000.00	(11,600.00)	8,400.00	8,400.00	
Tuition to Private Schools for the Disabled within State	320,455.00	(1,264.15)	319,190.85	318,088.88	1,101.97
Tuition - State Facilities					
Tuition - Other	<u>439,684.00</u>	<u>(84,803.00)</u>	<u>354,881.00</u>	<u>354,106.58</u>	<u>774.42</u>
Total Undistributed Expend. - Instruction	<u>1,689,543.00</u>	<u>(68,236.77)</u>	<u>1,621,306.23</u>	<u>1,619,429.84</u>	<u>1,876.39</u>
Attendance and Social Work Services:					
Salaries					
Purchased Professional and Technical Services	<u>2,700.00</u>		<u>2,700.00</u>	<u>960.00</u>	<u>1,740.00</u>
Total Attendance and Social Work Services	<u>2,700.00</u>		<u>2,700.00</u>	<u>960.00</u>	<u>1,740.00</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Health Services:					
Salaries	\$ 529,132.00	\$ 43,785.80	\$ 572,917.80	\$ 572,917.80	\$
Purchased Professional and Technical Services	23,004.00	5,000.00	28,004.00	23,594.13	4,409.87
Other Purchased Services	900.00		900.00	177.00	723.00
Supplies and Materials	14,000.00	2,168.97	16,168.97	11,543.63	4,625.34
<b>Total Health Services</b>	<b>567,036.00</b>	<b>50,954.77</b>	<b>617,990.77</b>	<b>608,232.56</b>	<b>9,758.21</b>
Speech, OT, PT and Related Services:					
Salaries	916,240.00	(4,595.81)	911,644.19	911,644.19	
Purchased Professional - Educational Services	188,896.47	(21,100.00)	167,796.47	163,674.97	4,121.50
Supplies and Materials	8,445.00	(361.31)	8,083.69	7,558.19	525.50
<b>Total Speech, OT, PT and Related Services</b>	<b>1,113,581.47</b>	<b>(26,057.12)</b>	<b>1,087,524.35</b>	<b>1,082,877.35</b>	<b>4,647.00</b>
Other Supp. Serv. - Students - Extra. Serv.:					
Salaries	453,245.00	155,124.90	608,369.90	608,369.90	
Purchased Professional - Educational Services	617,623.61	68,792.51	686,416.12	677,809.87	8,606.25
Supplies and Materials	8,100.00	(4,388.93)	3,711.07	3,656.96	54.11
<b>Total Other Supp. Serv. - Students - Extra. Serv.</b>	<b>1,078,968.61</b>	<b>219,528.48</b>	<b>1,298,497.09</b>	<b>1,289,836.73</b>	<b>8,660.36</b>
Guidance:					
Salaries of Other Professional Staff	642,052.00	(1,574.37)	640,477.63	640,477.63	
Salaries of Secretarial and Clerical Assistants	151,958.00	(107.13)	151,850.87	151,850.87	
Other Purchased Prof. and Tech. Services	47,820.00	6,455.00	54,275.00	53,333.19	941.81
Other Purchased Services		250.00	250.00	250.00	
Supplies and Materials	14,029.00	391.25	14,420.25	13,092.01	1,328.24
Other Objects	1,675.00	(670.00)	1,005.00	1,005.00	
<b>Total Guidance</b>	<b>857,534.00</b>	<b>4,744.75</b>	<b>862,278.75</b>	<b>860,008.70</b>	<b>2,270.05</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Child Study Teams:					
Salaries of Other Professional Staff	\$ 1,130,190.00	\$ (6,492.94)	\$ 1,123,697.06	\$ 1,123,697.06	\$
Salaries of Secretarial and Clerical Assistants	136,426.00	(572.09)	135,853.91	135,853.91	
Other Purchased Prof. and Tech. Services	33,050.00	(16,462.25)	16,587.75	13,980.00	2,607.75
Other Purchased Services	3,341.52		3,341.52	2,196.45	1,145.07
Misc. Purchased Services	7,745.00		7,745.00	4,394.37	3,350.63
Supplies and Materials	<u>11,490.00</u>	<u>3,500.00</u>	<u>14,990.00</u>	<u>14,206.82</u>	<u>783.18</u>
Total Child Study Teams	<u>1,322,242.52</u>	<u>(20,027.28)</u>	<u>1,302,215.24</u>	<u>1,294,328.61</u>	<u>7,886.63</u>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	663,140.00	166,983.58	830,123.58	830,123.58	
Salaries of Other Professional Staff	29,531.00	31,805.00	61,336.00	61,336.00	
Salaries of Secretarial and Clerical Assistants	88,043.00	(1,042.40)	87,000.60	87,000.60	
Salaries of Facilitators, Math and Literacy Coaches	108,152.00	17,832.48	125,984.48	125,984.48	
Purchased Professional - Educational Services		200.00	200.00	200.00	
Other Purchased Services	11,420.00	(7,389.00)	4,031.00	2,253.74	1,777.26
Supplies and Materials	15,709.99		15,709.99	12,791.74	2,918.25
Other Objects	<u>2,535.00</u>	<u>129.00</u>	<u>2,664.00</u>	<u>2,319.00</u>	<u>345.00</u>
Total Improvement of Instructional Services	<u>918,530.99</u>	<u>208,518.66</u>	<u>1,127,049.65</u>	<u>1,122,009.14</u>	<u>5,040.51</u>
Educational Media Serv./School Library:					
Salaries	335,470.00	5,212.10	340,682.10	340,682.10	
Purchased Professional and Technical Services	15,007.00		15,007.00	14,712.32	294.68
Other Purchased Services	5,872.00	(188.29)	5,683.71	5,434.08	249.63
Supplies and Materials	<u>37,922.00</u>	<u>(1,567.35)</u>	<u>36,354.65</u>	<u>35,179.40</u>	<u>1,175.25</u>
Total Educa. Media Serv./School Library	<u>394,271.00</u>	<u>3,456.46</u>	<u>397,727.46</u>	<u>396,007.90</u>	<u>1,719.56</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Instructional Staff Training Services:					
Other Salaries	\$ 25,226.00	\$ 229.10	\$ 25,455.10	\$ 25,455.10	\$
Purchased Professional - Educational Services	28,800.00	4,641.15	33,441.15	31,241.15	2,200.00
Purchased Professional and Technical Services	52,819.00	(52,819.00)			
Other Purchased Services	13,405.00	(690.00)	12,715.00	9,958.07	2,756.93
Supplies and Materials	1,950.00	1,885.94	3,835.94	3,628.69	207.25
Other Objects	1,490.00	(705.00)	785.00	585.00	200.00
<b>Total Instructional Staff Training Services</b>	<b>123,690.00</b>	<b>(47,457.81)</b>	<b>76,232.19</b>	<b>70,868.01</b>	<b>5,364.18</b>
Support Services - General Administration:					
Salaries	304,371.00	5,926.31	310,297.31	310,297.31	
Legal Services	130,698.00	(41,300.00)	89,398.00	82,210.31	7,187.69
Audit Fees	28,335.00		28,335.00	28,335.00	
Other Purchased Services		300.00	300.00	300.00	
Architectural/Engineering Services	4,500.00	29,300.00	33,800.00	20,145.00	13,655.00
Communications/Telephone	196,395.05	(15,543.20)	180,851.85	168,039.36	12,812.49
BOE Other Purchased Services	5,000.00	(300.00)	4,700.00	3,436.35	1,263.65
Miscellaneous Purchased Services	73,115.27	(7,170.00)	65,945.27	60,707.51	5,237.76
General Supplies	17,067.00	(300.00)	16,767.00	13,472.42	3,294.58
BOE In-House Training/Meeting Supplies	2,750.00	(1,250.00)	1,500.00		1,500.00
Misc. Expenditures	7,415.00	260.00	7,675.00	6,525.25	1,149.75
BOE Membership Dues and Fees	26,265.00	100.00	26,365.00	26,365.00	
<b>Total Support Services - General Administration</b>	<b>795,911.32</b>	<b>(29,976.89)</b>	<b>765,934.43</b>	<b>719,833.51</b>	<b>46,100.92</b>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	1,617,638.00	(39,225.73)	1,578,412.27	1,578,412.27	
Salaries of Other Professional Staff	234,243.00	78,955.52	313,198.52	313,198.52	
Salaries of Secretarial and Clerical Assistants	817,873.00	7,240.64	825,113.64	825,113.64	
Purchased Professional and Technical Services		1,080.00	1,080.00	1,080.00	
Other Purchased Services	17,780.00	(7,643.58)	10,136.42	9,917.56	218.86
Supplies and Materials	33,334.20	13,070.62	46,404.82	29,251.95	17,152.87
Other Objects	11,290.00	(1,324.30)	9,965.70	9,179.94	785.76
<b>Total Support Services - School Administration</b>	<b>2,732,158.20</b>	<b>52,153.17</b>	<b>2,784,311.37</b>	<b>2,766,153.88</b>	<b>18,157.49</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Central Services:					
Salaries	\$ 657,969.00	\$ (36,901.54)	\$ 621,067.46	\$ 621,067.46	\$
Purchased Technical Services	77,805.00	17,238.35	95,043.35	88,229.11	6,814.24
Miscellaneous Purchased Services	39,730.00	(8,300.00)	31,430.00	19,444.22	11,985.78
Supplies and Materials	31,438.09	5,499.00	36,937.09	28,997.71	7,939.38
Miscellaneous Expenditures	5,725.00	3,241.00	8,966.00	7,276.08	1,689.92
<b>Total Central Services</b>	<b>812,667.09</b>	<b>(19,223.19)</b>	<b>793,443.90</b>	<b>765,014.58</b>	<b>28,429.32</b>
Administrative Information Technology:					
Salaries	240,710.00	21,469.60	262,179.60	262,179.60	
Purchased Technical Services	3,100.00	37,405.00	40,505.00		40,505.00
Other Purchased Services	3,030.00	100.00	3,130.00	2,743.74	386.26
Supplies and Materials	1,000.00		1,000.00	458.33	541.67
<b>Total Administrative Information Technology</b>	<b>247,840.00</b>	<b>58,974.60</b>	<b>306,814.60</b>	<b>265,381.67</b>	<b>41,432.93</b>
Required Maintenance for School Facilities:					
Salaries	210,583.00	1,813.43	212,396.43	212,185.93	210.50
Cleaning, Repair, and Maintenance Services	737,065.09	176,272.87	913,337.96	897,527.14	15,810.82
General Supplies	65,883.28	11,440.56	77,323.84	74,919.58	2,404.26
Other Objects	3,650.00	(2,077.00)	1,573.00	1,268.00	305.00
<b>Total Required Maint. for School Facilities</b>	<b>1,017,181.37</b>	<b>187,449.86</b>	<b>1,204,631.23</b>	<b>1,185,900.65</b>	<b>18,730.58</b>
Custodial Services:					
Salaries	1,835,731.00	(84,689.37)	1,751,041.63	1,737,033.99	14,007.64
Salaries of Non-Instructional Aides	428,214.00	(16,835.89)	411,378.11	411,378.11	
Purchased Professional & Technical Services	19,791.00	24,325.00	44,116.00	38,099.50	6,016.50
Cleaning, Repair & Maintenance Services	118,780.00	(10,303.86)	108,476.14	99,435.04	9,041.10
Other Purchased Property Services	87,300.00	66,764.00	154,064.00	151,821.45	2,242.55
Insurance	258,727.00	11,385.00	270,112.00	270,112.00	
Miscellaneous Purchased Services	2,130.00	1,575.00	3,705.00	3,422.04	282.96
General Supplies	151,135.81	58,200.62	209,336.43	196,892.40	12,444.03
Energy (Natural Gas)	375,513.00	(87,074.00)	288,439.00	262,933.26	25,505.74
Energy (Electricity)	565,400.00	(110,484.29)	454,915.71	454,915.38	0.33
Energy (Gasoline)	14,821.02		14,821.02	13,273.42	1,547.60
Other Objects	2,578.00		2,578.00	2,328.00	250.00
<b>Total Custodial Services</b>	<b>3,860,120.83</b>	<b>(147,137.79)</b>	<b>3,712,983.04</b>	<b>3,641,644.59</b>	<b>71,338.45</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (GAAP BASIS)</u>	<u>VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL</u>
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Care and Upkeep of Grounds:					
Salaries	\$ 143,536.00	\$ (26,601.68)	\$ 116,934.32	\$ 116,860.35	\$ 73.97
Cleaning, Repair, and Maintenance Services	107,323.00	47,306.00	154,629.00	150,272.00	4,357.00
General Supplies	49,944.00	(16,083.00)	33,861.00	31,937.94	1,923.06
<b>Total Care and Upkeep of Grounds</b>	<b>300,803.00</b>	<b>4,621.32</b>	<b>305,424.32</b>	<b>299,070.29</b>	<b>6,354.03</b>
Security:					
General Supplies		6,755.00	6,755.00	6,540.64	214.36
<b>Total Security</b>		<b>6,755.00</b>	<b>6,755.00</b>	<b>6,540.64</b>	<b>214.36</b>
Student Transportation Services:					
Salaries for Pupil Transportation (Other Than Between Home & School)	63,200.00	24,104.26	87,304.26	82,642.10	4,662.16
Cleaning, Repair & Maint. Services	2,000.00	1,683.00	3,683.00	3,682.11	0.89
Contracted Services (Between Home & School) - Vendors	90,384.00		90,384.00	89,380.70	1,003.30
Contracted Services (Other Than Between Home & School) - Vendors	240,719.00	(53,451.83)	187,267.17	163,564.59	23,702.58
Contracted Services (Special Ed. Students) - Vendors	224,595.00	(23,117.35)	201,477.65	201,003.68	473.97
Contracted Services (Special Ed. Students) - Joint Agreements	148,515.00	11,655.26	160,170.26	160,170.26	
Contracted Services (Regular Students) - ESCs	54,944.00	25,747.85	80,691.85	80,691.85	
Contracted Services (Special Ed. Students) - ESCs	293,993.00	151,367.07	445,360.07	445,360.07	
Contracted Services - Aid in Lieu of Payments Supplies and Materials	92,820.00		92,820.00	89,195.60	3,624.40
	5,534.75	1,195.00	6,729.75	6,346.54	383.21
<b>Total Student Transportation Services</b>	<b>1,216,704.75</b>	<b>139,183.26</b>	<b>1,355,888.01</b>	<b>1,322,037.50</b>	<b>33,850.51</b>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
<b>EXPENDITURES (CONT'D.):</b>					
<b>Current Expense (Cont'd.):</b>					
<b>Unallocated Benefits - Employee Benefits:</b>					
Social Security Contributions	\$ 700,196.00	\$ 10,152.04	\$ 710,348.04	\$ 710,347.62	\$ 0.42
Other Retirement Contributions - PERS	698,439.00	(83,458.47)	614,980.53	614,980.53	
Other Retirement Contributions - Regular	1,500.00		1,500.00		1,500.00
Unemployment Compensation	150,000.00		150,000.00	150,000.00	
Workers' Compensation	372,072.00	1,306.00	373,378.00	373,378.00	
Health Benefits	8,070,291.00	140,937.16	8,211,228.16	8,211,228.16	
Tuition Reimbursement	94,000.00		94,000.00	83,659.00	10,341.00
Other Employee Benefits	21,482.00	69,166.76	90,648.76	86,057.79	4,590.97
<b>Total Unallocated Benefits - Employee Benefits</b>	<u>10,107,980.00</u>	<u>138,103.49</u>	<u>10,246,083.49</u>	<u>10,229,651.10</u>	<u>16,432.39</u>
<b>Total Personal Services - Employee Benefits</b>	<u>10,107,980.00</u>	<u>138,103.49</u>	<u>10,246,083.49</u>	<u>10,229,651.10</u>	<u>16,432.39</u>
<b>On-behalf TPAF Pension</b>					
Contributions (non-budgeted)				1,733,733.00	(1,733,733.00)
<b>On-behalf Post Retirement Medical</b>					
Contributions (non-budgeted)				1,960,413.00	(1,960,413.00)
<b>Reimbursed TPAF Social Security</b>					
Contributions (non-budgeted)				2,053,296.40	(2,053,296.40)
<b>Total Undistributed Expenditures</b>	<u>29,159,464.15</u>	<u>716,326.97</u>	<u>29,875,791.12</u>	<u>35,293,229.65</u>	<u>(5,417,438.53)</u>
<b>Total Expenditures - Current Expense</b>	<u>54,967,534.48</u>	<u>685,123.86</u>	<u>55,652,658.34</u>	<u>60,897,638.45</u>	<u>(5,244,980.11)</u>
<b>CAPITAL OUTLAY:</b>					
<b>Equipment:</b>					
<b>Regular Programs - Instruction:</b>					
Grades 1-5	5,145.50		5,145.50	5,145.50	
Grades 6-8		2,599.95	2,599.95	2,599.95	
Grades 9-12	55,000.00	2,314.88	57,314.88	56,693.18	621.70
<b>Special Education - Instruction:</b>					
Behavioral Disabilities		2,095.00	2,095.00	2,095.00	
School Sponsored and Other Instructional Programs	100,000.00	28,314.00	128,314.00	119,493.04	8,820.96

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
CAPITAL OUTLAY (CONT'D.):					
Equipment (Cont'd.):					
Undistributed Expenditures:					
Supp. Serv. - Related and Extra.	\$	\$ 10,631.18	\$ 10,631.18	\$ 5,887.33	\$ 4,743.85
Supp. Serv. - Students		4,192.50	4,192.50		4,192.50
Supp. Serv. -Instructional Staff		2,265.00	2,265.00	2,265.00	
School Administration		2,050.40	2,050.40		2,050.40
Required Maintenance for School Facilities	30,000.00	1,046.00	31,046.00	31,046.00	
Custodial Services		2,578.82	2,578.82	2,578.82	
Total Equipment	<u>190,145.50</u>	<u>58,087.73</u>	<u>248,233.23</u>	<u>227,803.82</u>	<u>20,429.41</u>
Facilities Acquis. & Constr. Services:					
Architectural/Engineering Services	56,915.00	13,800.00	70,715.00	65,700.00	5,015.00
Construction Services	577,172.00	141,806.12	718,978.12	364,371.20	354,606.92
Assessment for Debt Service on SDA Funding	13,684.00		13,684.00	13,684.00	
Total Facil. Acquis. & Constr. Services	<u>647,771.00</u>	<u>155,606.12</u>	<u>803,377.12</u>	<u>443,755.20</u>	<u>359,621.92</u>
Assets Acquired Under Capital Leases:					
Equipment:					
Copiers (non-budgeted)				66,798.77	(66,798.77)
Total Assets Acquired Under Capital Leases				<u>66,798.77</u>	<u>(66,798.77)</u>
Total Capital Outlay	<u>837,916.50</u>	<u>213,693.85</u>	<u>1,051,610.35</u>	<u>738,357.79</u>	<u>313,252.56</u>
Total Expenditures	<u>55,805,450.98</u>	<u>898,817.71</u>	<u>56,704,268.69</u>	<u>61,635,996.24</u>	<u>(4,931,727.55)</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,426,885.98)	\$ (624,767.86)	\$ (3,051,653.84)	\$ (1,930,204.20)	\$ 1,121,449.64
Other Financing Sources/(Uses):					
Insurance Recovery Related to Other Costs:					
Super Storm Sandy		144,803.00	144,803.00	144,803.00	
Hurricane Irene		333,010.86	333,010.86	333,010.86	
Capital Leases (non-budgeted)				66,798.77	66,798.77
Total Other Financing Sources/(Uses)		477,813.86	477,813.86	544,612.63	66,798.77
Excess (Deficiency) of Revenues and Other Financing Sources/(Uses) Over (Under) Expenditures and Other Financing Uses	(2,426,885.98)	(146,954.00)	(2,573,839.98)	(1,385,591.57)	1,188,248.41
Fund Balances, July 1	4,073,409.07		4,073,409.07	4,073,409.07	
Fund Balances, June 30	\$ 1,646,523.09	\$ (146,954.00)	\$ 1,499,569.09	\$ 2,687,817.50	\$ 1,188,248.41
Recapitulation:					
Restricted Fund Balance:					
Reserved - Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 441,522.60	
Capital Reserve Account				1.00	
Committed Fund Balance:					
Year - End Encumbrances				587,169.36	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				1,032,759.40	
Unassigned Fund Balance				626,365.14	
				\$ 2,687,817.50	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payment not recognized on GAAP basis				(215,401.00)	
Extraordinary Aid Payment				(665,103.00)	
Fund Balance per Governmental Funds (GAAP)				\$ 1,807,313.50	

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Exhibit C-2  
 Page 1 of 2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ _____	\$ 47,822.95	\$ 47,822.95	\$ 36,859.98	\$ (10,962.97)
Total - Local Sources	_____	47,822.95	47,822.95	36,859.98	(10,962.97)
State Sources:					
Nonpublic Aid	117,729.00	45,993.00	163,722.00	107,495.62	(56,226.38)
Total - State Sources	117,729.00	45,993.00	163,722.00	107,495.62	(56,226.38)
Federal Sources:					
I.D.E.A., Part B (Handicapped)	873,959.00	35,772.94	909,731.94	906,599.61	(3,132.33)
NCLB - Title I, Part A	80,227.00	46,893.00	127,120.00	125,953.30	(1,166.70)
NCLB - Title II, Part A	75,609.00	4,596.13	80,205.13	80,205.13	
NCLB - Title II, Part D		151.00	151.00	151.00	
NCLB - Title III		9,410.26	9,410.26	5,920.50	(3,489.76)
Race to the Top 3 ARRA		6,389.00	6,389.00	3,850.14	(2,538.86)
EE4NJ ARRA		114,300.00	114,300.00	106,655.00	(7,645.00)
Developmental Disabilities Basic Support and Advocacy		251.00	251.00	251.00	
Total - Federal Sources	1,029,795.00	217,763.33	1,247,558.33	1,229,585.68	(17,972.65)
Total Revenues	1,147,524.00	311,579.28	1,459,103.28	1,373,941.28	(85,162.00)

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Exhibit C-2  
 Page 2 of 2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES:</b>					
Instruction (cont'd)					
Salaries of Teachers	\$ 127,760.00	\$ 21,235.00	\$ 148,995.00	\$ 148,995.00	\$
Other Purchased Services	103,311.00	44,926.00	148,237.00	94,388.62	53,848.38
Tuition	764,094.00	22,996.75	787,090.75	787,090.75	
General Supplies	5,261.00	45,527.81	50,788.81	43,338.14	7,450.67
Textbooks	<u>14,418.00</u>	<u>5,027.00</u>	<u>19,445.00</u>	<u>17,067.00</u>	<u>2,378.00</u>
Total Instruction	<u>1,014,844.00</u>	<u>139,712.56</u>	<u>1,154,556.56</u>	<u>1,090,879.51</u>	<u>63,677.05</u>
Support Services					
Personal Services - Employee Benefits	24,369.00	18,873.30	43,242.30	43,242.30	
Purchased Professional - Educational Services	84,905.00	99,834.83	184,739.83	181,456.50	3,283.33
Other Purchased Services (400-500 series)	7,500.00	3,735.37	11,235.37	9,217.61	2,017.76
Supplies and Materials	<u>15,906.00</u>	<u>5,578.27</u>	<u>21,484.27</u>	<u>12,945.41</u>	<u>8,538.86</u>
Total Support Services	<u>132,680.00</u>	<u>128,021.77</u>	<u>260,701.77</u>	<u>246,861.82</u>	<u>13,839.95</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		2,599.95	2,599.95	2,599.95	
Noninstructional Equipment		<u>41,245.00</u>	<u>41,245.00</u>	<u>33,600.00</u>	<u>7,645.00</u>
Total Facilities Acquisition and Construction Services		<u>43,844.95</u>	<u>43,844.95</u>	<u>36,199.95</u>	<u>7,645.00</u>
Total Expenditures	<u>1,147,524.00</u>	<u>311,579.28</u>	<u>1,459,103.28</u>	<u>1,373,941.28</u>	<u>85,162.00</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

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**NOTES TO THE REQUIRED  
SUPPLEMENTARY INFORMATION**

CRANFORD BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	\$ 59,705,792.04	\$ 1,373,941.28
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.	(880,504.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	755,960.00	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. (B-2)	59,581,248.04	1,373,941.28
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	61,635,996.24	1,373,941.28
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.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 61,635,996.24	\$ 1,373,941.28

## **OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES**

**SECTION – D**

**SPECIAL REVENUE FUND**

**SECTION – E**

CRANFORD PUBLIC SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Total Brought Forward (Ex. E-1a)	IDEA Part B Basic Reg. FY 2013	IDEA Part B Basic Reg. FY 2012	IDEA Part B Preschool FY 2013	IDEA Part B Preschool FY 2012	NCLB- Title I, Part A FY 2013	NCLB- Title II, Part A FY 2013	NCLB- Title II, Part A FY 2012	Totals 2013
<b>REVENUES:</b>									
State Sources	\$ 107,495.62	\$	\$	\$	\$	\$	\$	\$	\$ 107,495.62
Federal Sources	116,827.64	849,916.29	23,735.83	29,437.07	3,510.42	125,953.30	73,164.00	7,041.13	1,229,585.68
Local Sources	<u>36,859.98</u>								<u>36,859.98</u>
Total Revenues	<u>261,183.24</u>	<u>849,916.29</u>	<u>23,735.83</u>	<u>29,437.07</u>	<u>3,510.42</u>	<u>125,953.30</u>	<u>73,164.00</u>	<u>7,041.13</u>	<u>1,373,941.28</u>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of Teachers						88,981.00	60,014.00		148,995.00
Other Purchased Services	90,428.62					3,960.00			94,388.62
Tuition		763,944.58	23,146.17						787,090.75
General Supplies	35,493.77	4,212.30		2,612.07			1,020.00		43,338.14
Textbooks	<u>17,067.00</u>								<u>17,067.00</u>
Total Instruction	<u>142,989.39</u>	<u>768,156.88</u>	<u>23,146.17</u>	<u>2,612.07</u>		<u>92,941.00</u>	<u>61,034.00</u>		<u>1,090,879.51</u>
Support Services:									
Personal Services - Employee Benefits						31,112.30	12,130.00		43,242.30
Purch. Professional - Educational Svs.	72,230.00	69,360.29	589.66	26,825.00	3,510.42	1,900.00		7,041.13	181,456.50
Other Purch. Services (400-500 series)	2,520.00	6,697.61							9,217.61
Supplies and Materials	<u>7,243.90</u>	<u>5,701.51</u>							<u>12,945.41</u>
Total Support Services	<u>81,993.90</u>	<u>81,759.41</u>	<u>589.66</u>	<u>26,825.00</u>	<u>3,510.42</u>	<u>33,012.30</u>	<u>12,130.00</u>	<u>7,041.13</u>	<u>246,861.82</u>
Facilities Acquis. & Const. Serv.:									
Instructional Equipment	2,599.95								2,599.95
Noninstructional Equipment	<u>33,600.00</u>								<u>33,600.00</u>
Total Facil. Acquis. & Const. Serv.	<u>36,199.95</u>								<u>36,199.95</u>
Total Expenditures	\$ <u>261,183.24</u>	\$ <u>849,916.29</u>	\$ <u>23,735.83</u>	\$ <u>29,437.07</u>	\$ <u>3,510.42</u>	\$ <u>125,953.30</u>	\$ <u>73,164.00</u>	\$ <u>7,041.13</u>	\$ <u>1,373,941.28</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Total Brought Forward (Ex. E-1b)	NCLB - Title II, Part D FY 2012	NCLB - Title III Immigrant FY 2013	RTTT3 Grant	EE4NJ Grant	Developmental Disabilities- NJCDD- Grant	Nonpublic Textbooks	Total Carried Forward
<b>REVENUES:</b>								
State Sources	\$ 90,428.62							
Federal Sources		\$ 151.00	\$ 5,920.50	\$ 3,850.14	\$ 106,655.00	251.00	\$ 17,067.00	\$ 107,495.62
Local Sources	<u>36,859.98</u>							<u>116,827.64</u>
Total Revenues	<u>127,288.60</u>	<u>151.00</u>	<u>5,920.50</u>	<u>3,850.14</u>	<u>106,655.00</u>	<u>251.00</u>	<u>17,067.00</u>	<u>261,183.24</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers								
Purch. Professional and Technical Svs.								
Other Purchased Services	90,428.62							90,428.62
Tuition								
General Supplies	29,322.27		5,920.50			251.00		35,493.77
Textbooks							17,067.00	17,067.00
Total Instruction	<u>119,750.89</u>		<u>5,920.50</u>			<u>251.00</u>	<u>17,067.00</u>	<u>142,989.39</u>
Support Services:								
Salaries of Other Professional Staff								
Other Salaries								
Personal Services - Employee Benefits								
Purch. Professional - Educational Svs.					72,230.00			72,230.00
Other Purch. Services (400-500 series)	2,369.00	151.00						2,520.00
Supplies and Materials	<u>2,568.76</u>			<u>3,850.14</u>	<u>825.00</u>			<u>7,243.90</u>
Total Support Services	<u>4,937.76</u>	<u>151.00</u>		<u>3,850.14</u>	<u>73,055.00</u>			<u>81,993.90</u>
Facilities Acquis. & Const. Serv.:								
Instructional Equipment	2,599.95							2,599.95
Noninstructional Equipment					33,600.00			33,600.00
Total Facil. Acquis. & Const. Serv.	<u>2,599.95</u>				<u>33,600.00</u>			<u>36,199.95</u>
Total Expenditures	<u>\$ 127,288.60</u>	<u>\$ 151.00</u>	<u>\$ 5,920.50</u>	<u>\$ 3,850.14</u>	<u>\$ 106,655.00</u>	<u>\$ 251.00</u>	<u>\$ 17,067.00</u>	<u>\$ 261,183.24</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Total Brought Forward (Ex. E-1c)	N.J. Nonpublic Auxiliary Services Ch. 192		N.J. Nonpublic Handicapped Services Ch. 193			Nonpublic Nursing	Nonpublic Technology	Total Carried Forward
		Trans- portation	Compensatory Education	Supplemental Instruction	Examination & Classification	Corrective Speech			
<b>REVENUES:</b>									
State Sources	\$	\$ 6,013.00	\$ 27,591.00	\$ 4,163.00	\$ 4,300.00	\$ 18,939.00	\$ 23,151.32	\$ 6,271.30	\$ 90,428.62
Federal Sources									
Local Sources	<u>36,859.98</u>								<u>36,859.98</u>
Total Revenues	<u>36,859.98</u>	<u>6,013.00</u>	<u>27,591.00</u>	<u>4,163.00</u>	<u>4,300.00</u>	<u>18,939.00</u>	<u>23,151.32</u>	<u>6,271.30</u>	<u>127,288.60</u>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of Teachers									
Purch. Professional and Technical Svs.									
Other Purchased Services		6,013.00	27,591.00	4,163.00	4,300.00	18,939.00	23,151.32	6,271.30	90,428.62
Tuition									
General Supplies	29,322.27								29,322.27
Textbooks									
Other Objects									
Total Instruction	<u>29,322.27</u>	<u>6,013.00</u>	<u>27,591.00</u>	<u>4,163.00</u>	<u>4,300.00</u>	<u>18,939.00</u>	<u>23,151.32</u>	<u>6,271.30</u>	<u>119,750.89</u>
Support Services:									
Salaries of Other Professional Staff									
Other Salaries									
Personal Services - Employee Benefits									
Purch. Professional - Educational Svs.									
Other Purch. Services (400-500 series)	2,369.00								2,369.00
Supplies and Materials	<u>2,568.76</u>								<u>2,568.76</u>
Total Support Services	<u>4,937.76</u>								<u>4,937.76</u>
Facilities Acquis. & Const. Serv.:									
Instructional Equipment	2,599.95								2,599.95
Noninstructional Equipment									
Total Facil. Acquis. & Const. Serv.	<u>2,599.95</u>								<u>2,599.95</u>
Total Expenditures	<u>\$ 36,859.98</u>	<u>\$ 6,013.00</u>	<u>\$ 27,591.00</u>	<u>\$ 4,163.00</u>	<u>\$ 4,300.00</u>	<u>\$ 18,939.00</u>	<u>\$ 23,151.32</u>	<u>\$ 6,271.30</u>	<u>\$ 127,288.60</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BPS Good Deeds <u>Donation</u>	Booster Club <u>Donations</u>	Developmental Disabilities NJCDD Grant	BPS School <u>Donations</u>	Target Grants	OAS PTA Donations	School Program <u>Donations</u>	Total Carried <u>Forward</u>
<u>REVENUES:</u>								
State Sources	\$	\$	\$	\$	\$	\$	\$	\$
Federal Sources								
Local Sources	<u>448.30</u>	<u>1,499.00</u>	<u>14,179.95</u>	<u>4,601.93</u>	<u>2,369.00</u>	<u>10,020.84</u>	<u>3,740.96</u>	<u>36,859.98</u>
Total Revenues	<u>448.30</u>	<u>1,499.00</u>	<u>14,179.95</u>	<u>4,601.93</u>	<u>2,369.00</u>	<u>10,020.84</u>	<u>3,740.96</u>	<u>36,859.98</u>
<u>EXPENDITURES:</u>								
Instruction:								
Salaries of Teachers								
Purch. Professional and Technical Svs.								
Other Purchased Services								
Tuition								
General Supplies	448.30		11,580.00	4,532.17		9,020.84	3,740.96	29,322.27
Textbooks								
Other Objects								
Total Instruction	<u>448.30</u>		<u>11,580.00</u>	<u>4,532.17</u>		<u>9,020.84</u>	<u>3,740.96</u>	<u>29,322.27</u>
Support Services:								
Salaries of Other Professional Staff								
Other Salaries								
Personal Services - Employee Benefits								
Purch. Professional - Educational Svs.								
Other Purch. Services (400-500 series)					2,369.00			2,369.00
Supplies and Materials		1,499.00		69.76		1,000.00		2,568.76
Total Support Services		<u>1,499.00</u>		<u>69.76</u>	<u>2,369.00</u>	<u>1,000.00</u>		<u>4,937.76</u>
Facilities Acquis. & Const. Serv.:								
Instructional Equipment			2,599.95					2,599.95
Noninstructional Equipment								
Total Facil. Acquis. & Const. Serv.			<u>2,599.95</u>					<u>2,599.95</u>
Total Expenditures	<u>\$ 448.30</u>	<u>\$ 1,499.00</u>	<u>\$ 14,179.95</u>	<u>\$ 4,601.93</u>	<u>\$ 2,369.00</u>	<u>\$ 10,020.84</u>	<u>\$ 3,740.96</u>	<u>\$ 36,859.98</u>

**CAPITAL PROJECTS FUND**

**SECTION – F**

CRANFORD PUBLIC SCHOOL DISTRICT  
 SUMMARY STATEMENT OF PROJECT EXPENDITURES  
 CAPITAL PROJECTS FUND  
FISCAL YEAR ENDED JUNE 30, 2013

<u>PROJECT TITLE/ISSUE</u>	<u>APPROPRIATIONS</u>	<u>GRANT CANCELLED PRIOR YEARS</u>	<u>GAAP EXPENDITURES TO DATE</u>		<u>OPERATING TRANSFERS IN (OUT) PRIOR YEARS</u>	<u>UNEXPENDED BALANCE</u>
			<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>		
<u>Various Capital Improvements - April 2002 Referendum:</u>						
Issuance of School Bonds	\$4,172,000.00					
Additional State School Building Aid - (SDA) Grants	2,099,527.00	(34,733.71)	2,063,888.21		(\$83,979.62)	8,910.89
						905.08 *
<u>Various Capital Improvements - December 2009 Referendum:</u>						
Issuance of School Bonds	\$11,988,763.00		\$7,573,321.23	\$202,590.28		4,212,851.49
Additional State School Building Aid - (SDA) Grants	7,992,506.00		5,002,825.68	135,060.18		2,854,620.14 *
<b>TOTALS</b>	<u>\$26,252,796.00</u>	<u>(\$34,733.71)</u>	<u>\$18,719,144.61</u>	<u>\$337,650.46</u>	<u>(\$83,979.62)</u>	<u>\$7,077,287.60</u>

\* Not recorded as revenue or receivable

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

Expenditures and Other Financing Uses:	
Construction Services	\$ <u>337,650.46</u>
Total Expenditures and Other Financing Uses	<u>337,650.46</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(337,650.46)
Fund Balance (Deficit) - Beginning	<u>7,414,938.06</u>
Fund Balance (Deficit) - Ending	\$ <u><u>7,077,287.60</u></u>
<u>Recapitulation of Fund Balance at June 30, 2013:</u>	
Reserve for Encumbrances - Local Share (B-1)	\$ 28,750.37
Unreserved - Undesignated (Deficit)	<u>7,047,774.23</u>
Total Fund Balance - Budgetary Basis	7,076,524.60
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on GAAP Basis	<u>(2,855,525.22)</u>
Total Fund Balance (Deficit) per Governmental Funds (GAAP)	\$ <u><u>4,220,999.38</u></u>
<u>Reconciliation of Revenue from Budgetary Basis to GAAP Basis:</u>	
State SDA Grant Revenue Realized (Budgetary Basis)	\$ 4,886,945.34
SDA Grants Recognized as Revenue on the Budgetary Basis when Awarded but not Recognized on GAAP Basis until Expended	<u>(2,855,525.22)</u>
State SDA Grant Revenue Realized (GAAP Basis)	\$ <u><u>2,031,420.12</u></u>

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
CRANFORD HIGH SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 823,146.77	\$	\$ 823,146.77	\$ 823,146.77
Bond Proceeds and Transfers	<u>1,643,723.00</u>	<u>                    </u>	<u>1,643,723.00</u>	<u>1,643,723.00</u>
Total Revenues and Other Financing Sources	<u>2,466,869.77</u>	<u>                    </u>	<u>2,466,869.77</u>	<u>2,466,869.77</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	211,302.74		211,302.74	211,302.74
Construction Services	2,214,387.63		2,214,387.63	2,214,387.63
Transfer to Debt Service Fund	<u>41,179.40</u>	<u>                    </u>	<u>41,179.40</u>	<u>41,179.40</u>
Total Expenditures	<u>2,466,869.77</u>	<u>                    </u>	<u>2,466,869.77</u>	<u>2,466,869.77</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Additional Project Information:

Project Number	SP202501
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$1,643,981.00
Bonds Issued	\$1,643,723.00
Original Authorized Cost	\$2,473,500.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
CRANFORD HIGH SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 1,075,774.00	\$	\$ 1,075,774.00	\$ 1,075,774.00
Bond Proceeds and Transfers	<u>1,613,661.00</u>	<u>                    </u>	<u>1,613,661.00</u>	<u>1,613,661.00</u>
<b>Total Revenues and Other Financing Sources</b>	<u><b>2,689,435.00</b></u>	<u>                    </u>	<u><b>2,689,435.00</b></u>	<u><b>2,689,435.00</b></u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	232,948.38	<u>                    </u>	232,948.38	232,948.38
Construction Services	<u>1,602,000.00</u>	<u>                    </u>	<u>1,602,000.00</u>	<u>1,602,000.00</u>
<b>Total Expenditures</b>	<u><b>1,834,948.38</b></u>	<u>                    </u>	<u><b>1,834,948.38</b></u>	<u><b>1,834,948.38</b></u>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<u><b>\$ 854,486.62</b></u>	<u><b>\$</b></u>	<u><b>\$ 854,486.62</b></u>	<u><b>\$ 854,486.62</b></u>

**Additional Project Information:**

Project Number	0980-030-09-1001
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$1,613,661.00
Bonds Issued	\$1,613,661.00
Original Authorized Cost	\$2,689,435.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	68%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
HILLSIDE AVENUE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 108,099.20	\$	\$ 108,099.20	\$ 108,099.20
Bond Proceeds and Transfers	<u>163,260.00</u>	<u></u>	<u>163,260.00</u>	<u>163,260.00</u>
<b>Total Revenues and Other Financing Sources</b>	<u>271,359.20</u>	<u></u>	<u>271,359.20</u>	<u>271,359.20</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	24,100.00		24,100.00	24,100.00
Construction Services	246,148.00		246,148.00	246,148.00
Transfer to Debt Service Fund	<u>1,111.20</u>	<u></u>	<u>1,111.20</u>	<u>1,111.20</u>
<b>Total Expenditures</b>	<u>271,359.20</u>	<u></u>	<u>271,359.20</u>	<u>271,359.20</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**Additional Project Information:**

Project Number	SP202502
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$163,260.00
Bonds Issued	\$163,260.00
Original Authorized Cost	\$272,100.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
HILLSIDE AVENUE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 1,293,259.00	\$	\$ 1,293,259.00	\$ 1,293,259.00
Bond Proceeds and Transfers	<u>1,939,889.00</u>		<u>1,939,889.00</u>	<u>1,939,889.00</u>
Total Revenues and Other Financing Sources	<u>3,233,148.00</u>		<u>3,233,148.00</u>	<u>3,233,148.00</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	293,130.36		293,130.36	293,130.36
Construction Services	<u>2,047,666.67</u>		<u>2,047,666.67</u>	<u>2,047,666.67</u>
Total Expenditures	<u>2,340,797.03</u>		<u>2,340,797.03</u>	<u>2,340,797.03</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 892,350.97</u>	<u>\$</u>	<u>\$ 892,350.97</u>	<u>\$ 892,350.97</u>

**Additional Project Information:**

Project Number	0980-033-09-1002
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$1,939,889.00
Bonds Issued	\$1,939,889.00
Original Authorized Cost	\$3,233,148.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	72%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
ORANGE AVENUE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 78,880.00	\$	\$ 78,880.00	\$ 78,880.00
Bond Proceeds and Transfers	<u>118,320.00</u>	<u>                    </u>	<u>118,320.00</u>	<u>118,320.00</u>
<b>Total Revenues and Other Financing Sources</b>	<u>197,200.00</u>	<u>                    </u>	<u>197,200.00</u>	<u>197,200.00</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	18,200.00	<u>                    </u>	18,200.00	18,200.00
Construction Services	<u>179,000.00</u>	<u>                    </u>	<u>179,000.00</u>	<u>179,000.00</u>
<b>Total Expenditures</b>	<u>197,200.00</u>	<u>                    </u>	<u>197,200.00</u>	<u>197,200.00</u>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**Additional Project Information:**

Project Number	SP202503
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$118,320.00
Bonds Issued	\$118,320.00
Original Authorized Cost	\$197,200.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
ORANGE AVENUE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 1,293,259.00	\$	\$ 1,293,259.00	\$ 1,293,259.00
Bond Proceeds and Transfers	<u>1,939,889.00</u>	<u></u>	<u>1,939,889.00</u>	<u>1,939,889.00</u>
<b>Total revenues</b>	<u>3,233,148.00</u>	<u></u>	<u>3,233,148.00</u>	<u>3,233,148.00</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	293,904.84		293,904.84	293,904.84
Construction Services	<u>1,980,298.32</u>	<u></u>	<u>1,980,298.32</u>	<u>1,980,298.32</u>
<b>Total Expenditures</b>	<u>2,274,203.16</u>	<u></u>	<u>2,274,203.16</u>	<u>2,274,203.16</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 958,944.84</u>	<u>\$</u>	<u>\$ 958,944.84</u>	<u>\$ 958,944.84</u>

**Additional Project Information:**

Project Number	0980-037-09-1003
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$1,939,889.00
Bonds Issued	\$1,939,889.00
Original Authorized Cost	\$3,233,148.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	70%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
BLOOMINGDALE AVENUE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 199,620.42	\$	\$ 199,620.42	\$ 199,620.42
Bond Proceeds and Transfers	322,620.00		322,620.00	322,620.00
Total Revenues and Other Financing Sources	522,240.42		522,240.42	522,240.42
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	46,700.00		46,700.00	46,700.00
Construction Services	452,351.05		452,351.05	452,351.05
Transfer to Debt Service Fund	23,189.37		23,189.37	23,189.37
Total Expenditures	522,240.42		522,240.42	522,240.42
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$	\$	\$	\$

**Additional Project Information:**

Project Number	SP202504
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$322,620.00
Bonds Issued	\$322,620.00
Original Authorized Cost	\$537,700.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
BLOOMINGDALE AVENUE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 1,008,321.00	\$	\$ 1,008,321.00	\$ 1,008,321.00
Bond Proceeds and Transfers	<u>1,512,482.00</u>		<u>1,512,482.00</u>	<u>1,512,482.00</u>
Total revenues	<u>2,520,803.00</u>		<u>2,520,803.00</u>	<u>2,520,803.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	208,088.36		208,088.36	208,088.36
Construction Services	<u>1,626,368.20</u>		<u>1,626,368.20</u>	<u>1,626,368.20</u>
Total Expenditures	<u>1,834,456.56</u>		<u>1,834,456.56</u>	<u>1,834,456.56</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 686,346.44</u>	<u>\$</u>	<u>\$ 686,346.44</u>	<u>\$ 686,346.44</u>

Additional Project Information:

Project Number	0980-040-09-1004
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$1,512,482.00
Bonds Issued	\$1,512,482.00
Original Authorized Cost	\$2,520,803.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	73%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
BROOKSIDE PLACE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 223,760.00	\$	\$ 223,760.00	\$ 223,760.00
Bond Proceeds and Transfers	<u>335,640.00</u>	<u></u>	<u>335,640.00</u>	<u>335,640.00</u>
Total Revenues and Other Financing Sources	<u>559,400.00</u>	<u></u>	<u>559,400.00</u>	<u>559,400.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	48,400.00		48,400.00	48,400.00
Construction Services	<u>511,000.00</u>	<u></u>	<u>511,000.00</u>	<u>511,000.00</u>
Total Expenditures	<u>559,400.00</u>	<u></u>	<u>559,400.00</u>	<u>559,400.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Additional Project Information:

Project Number	SP202505
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$335,640.00
Bonds Issued	\$335,640.00
Original Authorized Cost	\$559,400.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
BROOKSIDE PLACE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 1,358,460.00	\$	\$ 1,358,460.00	\$ 1,358,460.00
Bond Proceeds and Transfers	<u>2,037,691.00</u>	<u></u>	<u>2,037,691.00</u>	<u>2,037,691.00</u>
Total revenues	<u>3,396,151.00</u>	<u></u>	<u>3,396,151.00</u>	<u>3,396,151.00</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	241,151.16		241,151.16	241,151.16
Construction Services	<u>1,455,494.20</u>	<u></u>	<u>1,455,494.20</u>	<u>1,455,494.20</u>
Total Expenditures	<u>1,696,645.36</u>	<u></u>	<u>1,696,645.36</u>	<u>1,696,645.36</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 1,699,505.64</u>	<u>\$</u>	<u>\$ 1,699,505.64</u>	<u>\$ 1,699,505.64</u>

**Additional Project Information:**

Project Number	0980-040-09-1005
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$2,037,691.00
Bonds Issued	\$2,037,691.00
Original Authorized Cost	\$3,396,151.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

**Percentage Increase over Original**

Authorized Cost	N/A
Percentage Completion	50%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
LIVINGSTON AVENUE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 128,352.90	\$	\$ 128,352.90	\$ 128,352.90
Bond Proceeds and Transfers	210,771.00		210,771.00	210,771.00
	<u>339,123.90</u>		<u>339,123.90</u>	<u>339,123.90</u>
<b>Total Revenues and Other Financing Sources</b>				
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	30,258.00		30,258.00	30,258.00
Construction Services	290,597.25		290,597.25	290,597.25
Transfer to Debt Service Fund	18,241.65		18,241.65	18,241.65
	<u>339,096.90</u>		<u>339,096.90</u>	<u>339,096.90</u>
<b>Total Expenditures</b>				
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 27.00</u>	<u>\$</u>	<u>\$ 27.00</u>	<u>\$ 27.00</u>

**Additional Project Information:**

Project Number	SP202506
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$210,771.00
Bonds Issued	\$210,771.00
Original Authorized Cost	\$351,285.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

**Percentage Increase over Original**

Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	6/5/08

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
LIVINGSTON AVENUE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 363,894.00	\$	\$ 363,894.00	\$ 363,894.00
Bond Proceeds and Transfers	<u>532,027.14</u>	<u></u>	<u>532,027.14</u>	<u>532,027.14</u>
Total revenues	<u>895,921.14</u>	<u></u>	<u>895,921.14</u>	<u>895,921.14</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	78,745.30		78,745.30	78,745.30
Construction Services	<u>378,000.00</u>	<u></u>	<u>378,000.00</u>	<u>378,000.00</u>
Total Expenditures	<u>456,745.30</u>	<u></u>	<u>456,745.30</u>	<u>456,745.30</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 439,175.84</u>	<u>\$</u>	<u>\$ 439,175.84</u>	<u>\$ 439,175.84</u>

Additional Project Information:

Project Number	0980-080-09-1007
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$545,842.00
Bonds Issued	\$545,079.00
Original Authorized Cost	\$909,736.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	-1.5%
Percentage Completion	51%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
WALNUT AVENUE ELEMENTARY SCHOOL - APRIL 2002 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 502,934.00	\$	\$ 502,934.00	\$ 502,934.00
Bond Proceeds and Transfers	<u>1,377,666.00</u>	<u>                    </u>	<u>1,377,666.00</u>	<u>1,377,666.00</u>
<b>Total Revenues and Other Financing Sources</b>	<u><b>1,880,600.00</b></u>	<u>                    </u>	<u><b>1,880,600.00</b></u>	<u><b>1,880,600.00</b></u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	185,200.00	<u>                    </u>	185,200.00	185,200.00
Construction Services	1,685,326.03	<u>                    </u>	1,685,326.03	1,685,326.03
Transfer to Debt Service Fund	<u>258.00</u>	<u>                    </u>	<u>258.00</u>	<u>258.00</u>
<b>Total expenditures</b>	<u><b>1,870,784.03</b></u>	<u>                    </u>	<u><b>1,870,784.03</b></u>	<u><b>1,870,784.03</b></u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ 9,815.97</u></u>	<u><u>\$</u></u>	<u><u>\$ 9,815.97</u></u>	<u><u>\$ 9,815.97</u></u>

Additional project information:

Project Number	SP202507
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	\$1,377,666.00
Bonds Issued	\$1,377,666.00
Original Authorized Cost	\$1,880,600.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	9/1/04
Revised Target Completion Date	9/21/09

CRANFORD PUBLIC SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
WALNUT AVENUE ELEMENTARY SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 1,198,149.00	\$	\$ 1,198,149.00	\$ 1,198,149.00
Bond Proceeds and Transfers	<u>1,797,224.00</u>	<u>                    </u>	<u>1,797,224.00</u>	<u>1,797,224.00</u>
<b>Total revenues</b>	<u>2,995,373.00</u>	<u>                    </u>	<u>2,995,373.00</u>	<u>2,995,373.00</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	214,352.23		214,352.23	214,352.23
Construction Services	<u>1,230,339.70</u>	<u>(9,482.99)</u>	<u>1,220,856.71</u>	<u>1,220,856.71</u>
<b>Total Expenditures</b>	<u>1,444,691.93</u>	<u>(9,482.99)</u>	<u>1,435,208.94</u>	<u>1,435,208.94</u>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<u>\$ 1,550,681.07</u>	<u>\$ 9,482.99</u>	<u>\$ 1,560,164.06</u>	<u>\$ 1,560,164.06</u>

**Additional Project Information:**

Project Number	0980-110-09-1008
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$1,797,224.00
Bonds Issued	\$1,797,224.00
Original Authorized Cost	\$2,995,373.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

**Percentage Increase over Original**

Authorized Cost	N/A
Percentage Completion	48%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

CRANFORD PUBLIC SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
 AND PROJECT STATUS - BUDGETARY BASIS  
 LINCOLN AVENUE SCHOOL - DECEMBER 2009 REFERENDUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 401,390.00	\$	\$ 401,390.00	\$ 401,390.00
Bond Proceeds and Transfers	615,136.86		615,136.86	615,136.86
Total revenues	1,016,526.86		1,016,526.86	1,016,526.86
<b>Expenditures and Other Financing Uses:</b>				
Purchased Professional and Technical Services	98,383.59		98,383.59	98,383.59
Construction Services	917,102.66		917,102.66	917,102.66
Total Expenditures	1,015,486.25		1,015,486.25	1,015,486.25
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 1,040.61	\$	\$ 1,040.61	\$ 1,040.61

**Additional Project Information:**

Project Number	0980-X02-09-1006
Grant Date	1/22/10
Bond Authorization Date	12/8/09
Bonds Authorized	\$602,085.00
Bonds Issued	\$602,085.00
Original Authorized Cost	\$1,003,475.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	1.3%
Percentage Completion	100%
Original Target Completion Date	12/31/11
Revised Target Completion Date	6/30/13

**PROPRIETARY FUNDS**

**SECTION – G**

**ENTERPRISE FUND**

CRANFORD PUBLIC SCHOOL DISTRICT  
 COMBINING STATEMENT OF NET POSITION  
 ENTERPRISE FUNDS  
 FOOD SERVICE  
AS OF JUNE 30, 2013

	<u>FOOD SERVICE - ENTERPRISE FUND</u>	<u>TOTALS</u>
Assets:		
Cash and Cash Equivalents	\$ 72,046.30	\$ 72,046.30
Accounts Receivable:		
State	1,511.86	1,511.86
Federal	17,504.32	17,504.32
Other	31,650.00	
Inventories	<u>2,700.19</u>	<u>2,700.19</u>
Total Current Assets	<u>125,412.67</u>	<u>93,762.67</u>
Noncurrent Assets:		
Fixed Assets:		
Equipment	241,803.35	241,803.35
Accumulated Depreciation	<u>(195,718.48)</u>	<u>(195,718.48)</u>
Total Noncurrent Assets	<u>46,084.87</u>	<u>46,084.87</u>
Total Assets	<u>\$ 171,497.54</u>	<u>\$ 139,847.54</u>
Liabilities:		
Current Liabilities:		
Accounts Payable	131,454.84	131,454.84
Intergovernmental Payable	<u>229.94</u>	<u>229.94</u>
Total Current Liabilities	<u>131,684.78</u>	<u>131,684.78</u>
Total Liabilities	<u>\$ 131,684.78</u>	<u>\$ 131,684.78</u>
Net Position:		
Investment in Capital Assets -		
Net of Related Debt	46,084.87	46,084.87
Unrestricted (Deficit)	<u>(6,272.11)</u>	<u>(6,272.11)</u>
Total Net Position	<u>\$ 39,812.76</u>	<u>\$ 39,812.76</u>

CRANFORD PUBLIC SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 ENTERPRISE FUNDS  
 FOOD SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>FOOD SERVICE - ENTERPRISE FUND</u>	<u>TOTALS</u>
Operating Revenues:		
Charges for Daily Services:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	\$ 287,861.85	\$ 287,861.85
Daily Sales - Non-reimbursable Programs	<u>253,434.04</u>	<u>253,434.04</u>
Total Operating Revenues	<u>541,295.89</u>	<u>541,295.89</u>
Operating Expenses:		
Purchased Property Services	31,650.00	31,650.00
Other Purchased Services	635,134.83	635,134.83
Depreciation	<u>15,895.82</u>	<u>15,895.82</u>
Total Operating Expenses	<u>682,680.65</u>	<u>682,680.65</u>
Operating Income (Loss)	<u>(141,384.76)</u>	<u>(141,384.76)</u>
Nonoperating Revenues:		
State Sources:		
State School Lunch Program	5,848.84	5,848.84
Federal Sources:		
National School Lunch Program	83,414.25	83,414.25
Food Distribution Program	<u>23,061.41</u>	<u>23,061.41</u>
Total Non-Operating Revenues	\$ <u>112,324.50</u>	\$ <u>112,324.50</u>
Net Income (Loss) before Operating Transfers	<u>(29,060.26)</u>	<u>(29,060.26)</u>
Change in Net Position	(29,060.26)	(29,060.26)
Total Net Position - Beginning	<u>68,873.02</u>	<u>68,873.02</u>
Total Net Position - Ending	\$ <u><u>39,812.76</u></u>	\$ <u><u>39,812.76</u></u>

CRANFORD PUBLIC SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS  
 ENTERPRISE FUNDS  
 FOOD SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>FOOD SERVICE - ENTERPRISE FUND</u>	<u>Total Enterprise Fund</u>
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 541,295.89	\$ 541,295.89
Cash Received from Third Party Provider	30,750.00	30,750.00
Cash Payments to Suppliers for Goods and Services	<u>(592,012.28)</u>	<u>(592,012.28)</u>
Net Cash Provided by Operating Activities	<u>(19,966.39)</u>	<u>(19,966.39)</u>
Cash Flows from Non-Capital Financing Activities:		
Cash Received from State and Federal Sources Program Donations	<u>86,482.88</u>	<u>86,482.88</u>
Net Cash Provided by Non-Capital Financing Activities	<u>86,482.88</u>	<u>86,482.88</u>
Net Increase (Decrease) in Cash and Cash Equivalents	66,516.49	66,516.49
Cash and Cash Equivalents at Beginning of Year	<u>5,529.81</u>	<u>5,529.81</u>
Cash and Cash Equivalents at End of Year	<u>\$ 72,046.30</u>	<u>\$ 72,046.30</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (141,384.76)	\$ (141,384.76)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Income:		
Depreciation Expense	15,895.82	15,895.82
Food Distribution Program	23,061.41	23,061.41
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(900.00)	(900.00)
(Increase) Decrease in Inventory	1,035.15	1,035.15
Increase (Decrease) in Accounts Payable	<u>82,325.99</u>	<u>82,325.99</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (19,966.39)</u>	<u>\$ (19,066.39)</u>

**INTERNAL SERVICE FUND**

**FIDUCIARY FUNDS**

**SECTION - H**

CRANFORD PUBLIC SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUND  
FOR THE YEAR ENDED JUNE 30, 2013

	<u>TRUST FUND</u>	<u>AGENCY FUND</u>	
	<u>UNEMPLOYMENT</u>	<u>STUDENT</u>	
	<u>COMPENSATION</u>	<u>ACTIVITY</u>	<u>PAYROLL</u>
	<u>TRUST</u>		
 <u>ASSETS</u>			
Cash and Cash Equivalents	\$ 142,989.69	\$ 276,043.83	\$ 990,027.10
Total Assets	\$ 142,989.69	\$ 276,043.83	\$ 990,027.10
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ 3,791.25	\$	\$
Payroll Deductions and Withholdings			264,795.50
Accrued Salaries and Wages			725,231.60
Due to Student Groups		276,043.83	
Total Liabilities	3,791.25	\$ 276,043.83	\$ 990,027.10
 Net Position:			
Held in Trust for Unemployment Claims and Other Purposes	139,198.44		
Total Net Position	\$ 139,198.44		

CRANFORD PUBLIC SCHOOL DISTRICT  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013

	UNEMPLOYMENT COMPENSATION TRUST
ADDITIONS:	
Contributions:	
Plan Member	\$ 56,897.81
Employer ( Board Contribution)	150,000.00
Total Contributions	206,897.81
Total Additions	206,897.81
DEDUCTIONS:	
Quarterly Contributions Reports	91,754.53
Total Deductions	91,754.53
Change in Net Position	115,143.28
Net Position - Beginning of the Year	24,055.16
Net Position - End of the Year	\$ 139,198.44

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

	<u>BALANCE JUNE 30, 2012</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE JUNE 30, 2013</u>
<u>ELEMENTARY SCHOOLS</u>				
Orange Avenue	\$ 39,671.19	\$ 149,027.21	\$ 140,703.63	\$ 47,994.77
Hillside Avenue	70,922.92	172,945.98	153,399.94	90,468.96
Bloomington Avenue	<u>209.29</u>	<u>2,658.00</u>	<u>2,520.00</u>	<u>347.29</u>
Total Elementary Schools	<u>\$ 110,803.40</u>	<u>\$ 324,631.19</u>	<u>\$ 296,623.57</u>	<u>\$ 138,811.02</u>
<u>SENIOR HIGH SCHOOLS</u>				
Activities	\$ 100,610.71	\$ 411,995.57	\$ 376,071.43	\$ 136,534.85
Athletics		73,437.18	73,437.18	
Alternative Program	<u>992.68</u>	<u>7,397.20</u>	<u>7,691.92</u>	<u>697.96</u>
Total Senior High Schools	<u>\$ 101,603.39</u>	<u>\$ 492,829.95</u>	<u>\$ 457,200.53</u>	<u>\$ 137,232.81</u>
Total All Schools	<u>\$ 212,406.79</u>	<u>\$ 817,461.14</u>	<u>\$ 753,824.10</u>	<u>\$ 276,043.83</u>

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

	BALANCE JUNE 30, 2012	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	BALANCE JUNE 30, 2013
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 771,600.84	\$ 41,907,173.15	\$ 41,688,746.89	\$ 990,027.10
Total Assets	\$ <u>771,600.84</u>	\$ <u>41,907,173.15</u>	\$ <u>41,688,746.89</u>	\$ <u>990,027.10</u>
<u>LIABILITIES</u>				
Payroll Deductions and Withholdings	\$ 62,456.30	\$ 16,977,362.27	\$ 16,775,023.07	\$ 264,795.50
Net Payroll		23,157,124.75	23,157,124.75	
Interfunds Payable		1,047,454.53	1,047,454.53	
Accrued Salaries and Wages	<u>709,144.54</u>	<u>725,231.60</u>	<u>709,144.54</u>	<u>725,231.60</u>
Total Liabilities	\$ <u>771,600.84</u>	\$ <u>41,907,173.15</u>	\$ <u>41,688,746.89</u>	\$ <u>990,027.10</u>

**LONG-TERM DEBT**

**SECTION - I**

CRANFORD PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF SERIAL BONDS  
 LONG-TERM DEBT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2012</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE JUNE 30, 2013</u>
2002 School Bonds	9/15/02	\$ 4,172,000.00	9/15/03	\$ 195,000.00	3.000%	\$ 2,037,000.00	\$	\$ 300,000.00	\$ 1,737,000.00
			2004	205,000.00	3.250%				
			2005	215,000.00	3.250%				
			2006	225,000.00	3.250%				
			2007	230,000.00	3.250%				
			2008	250,000.00	3.300%				
			2009	260,000.00	3.375%				
			2010	270,000.00	3.375%				
			2011	285,000.00	3.375%				
			2012	300,000.00	3.400%				
			2013	315,000.00	3.600%				
			2014	330,000.00	3.700%				
			2015	345,000.00	3.800%				
			2016	365,000.00	4.000%				
			2017	382,000.00	4.000%				

CRANFORD PUBLIC SCHOOL DISTRICT  
SCHEDULE OF SERIAL BONDS  
LONG-TERM DEBT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>ANNUAL MATURITIES DATE</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2012</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE JUNE 30, 2013</u>
2010 School Bonds	11/1/10	\$ 11,988,000.00	11/1/12	\$ 420,000.00	2.000%	\$ 11,988,000.00	\$	\$ 420,000.00	\$ 11,568,000.00
			2013	440,000.00	2.000%				
			2014	460,000.00	2.000%				
			2015	480,000.00	2.000%				
			2016	500,000.00	2.000%				
			2017	520,000.00	2.125%				
			2018	540,000.00	2.250%				
			2019	560,000.00	2.625%				
			2020	580,000.00	2.750%				
			2021	610,000.00	3.000%				
			2022	630,000.00	3.000%				
			2023	670,000.00	3.125%				
			2024	710,000.00	3.250%				
			2025	740,000.00	4.000%				
			2026	780,000.00	4.000%				
			2027	830,000.00	4.000%				
			2028	840,000.00	4.000%				
			2029	840,000.00	4.000%				
			2030	838,000.00	4.000%				
						\$ 14,025,000.00	\$	\$ 720,000.00	\$ 13,305,000.00
Totals									

CRANFORD PUBLIC SCHOOL DISTRICT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
LONG-TERM DEBT  
JUNE 30, 20123

Exhibit - I-2

<u>SERIES</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2012</u>	<u>ISSUED CURRENT YEAR</u>	<u>RETIRED CURRENT YEAR</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2013</u>
Equipment - Copiers (District Wide)	Various	\$ Various	\$ 453,493.32	\$ 66,798.77	\$ 158,761.92	\$ 361,530.17 *
Equipment - Playground (District Wide)	3.55%	225,000.00	95,011.94		46,678.69	48,333.25
Equipment - Maintenance Vehicle	4.50%	44,808.00	<u>36,617.47</u>		<u>8,559.10</u>	<u>28,058.37</u>
			<u>\$ 585,122.73</u>	<u>\$ 66,798.77</u>	<u>\$ 213,999.71</u>	<u>\$ 437,921.79</u>

\* Includes principal and interest requirements on monthly lease payments.

CRANFORD PUBLIC SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 DEBT SERVICE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Exhibit I-3

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE (NEGATIVE) FINAL TO ACTUAL
<u>REVENUES</u>					
Local Sources:					
Local Tax Levy	\$ 1,163,224.00	\$ _____	\$ 1,163,224.00	\$ 1,163,224.00	\$ _____
Total Revenues	1,163,224.00	_____	1,163,224.00	1,163,224.00	_____
<u>EXPENDITURES</u>					
Regular Debt Service:					
Interest	443,225.00		443,225.00	443,222.50	2.50
Redemption of Principal	720,000.00		720,000.00	720,000.00	
Total Regular Debt Service	1,163,225.00	_____	1,163,225.00	1,163,222.50	2.50
Total Expenditures	1,163,225.00	_____	1,163,225.00	1,163,222.50	2.50
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1.00)	_____	(1.00)	1.50	2.50
Fund Balance - July 1	3.65	_____	3.65	3.65	_____
Fund Balance - June 30	\$ 2.65	\$ _____	\$ 2.65	\$ 5.15	\$ 2.50

**STATISTICAL SECTION**

**SECTION – J**

## Financial Trends

Cranford School District  
 Net Position/Assets by Component,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 44,337,108.95	\$ 44,650,592.64	\$ 44,915,563.96	\$ 45,865,853.48	\$ 46,230,056.70	\$ 46,200,469.94	\$ 46,476,767.21	\$ 42,078,828.71	\$ 46,755,972.97	\$ 47,580,771.63
Restricted	290,392.28	1,163,007.45	1,288,268.79	1,139,530.74	250,887.28	118,113.92	(32,376.71)	8,542,657.40	6,069,457.75	5,249,697.49
Unrestricted	(816,112.35)	(1,696,960.57)	(1,831,859.60)	(2,645,548.70)	(2,169,547.26)	(2,192,119.60)	(1,619,212.08)	(1,850,179.65)	(1,671,432.79)	(1,839,398.87)
<b>Total governmental activities net position/assets</b>	<b>\$ 43,811,388.88</b>	<b>\$ 44,116,639.52</b>	<b>\$ 44,371,973.15</b>	<b>\$ 44,359,835.52</b>	<b>\$ 44,311,396.72</b>	<b>\$ 44,126,464.26</b>	<b>\$ 44,825,178.42</b>	<b>\$ 48,771,306.46</b>	<b>\$ 51,153,997.93</b>	<b>\$ 50,991,070.25</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 76,288.28	\$ 77,896.85	\$ 94,372.27	\$ 123,745.34	\$ 107,742.84	\$ 93,875.34	\$ 78,797.84	\$ 66,666.91	\$ 61,980.69	\$ 46,084.87
Unrestricted	133,553.78	167,931.99	171,656.45	142,740.87	144,892.25	114,827.91	90,856.34	55,873.00	6,892.33	(6,272.11)
<b>Total business-type activities net position/assets</b>	<b>\$ 209,842.06</b>	<b>\$ 245,828.84</b>	<b>\$ 266,028.72</b>	<b>\$ 266,486.21</b>	<b>\$ 252,635.09</b>	<b>\$ 208,703.25</b>	<b>\$ 169,654.18</b>	<b>\$ 122,539.91</b>	<b>\$ 68,873.02</b>	<b>\$ 39,812.76</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 44,413,397.23	\$ 44,728,489.49	\$ 45,009,936.23	\$ 45,989,598.82	\$ 46,337,799.54	\$ 46,294,345.28	\$ 46,555,565.05	\$ 42,145,495.62	\$ 46,817,953.66	\$ 47,626,856.50
Restricted	290,392.28	1,163,007.45	1,288,268.79	1,139,530.74	250,887.28	118,113.92	(32,376.71)	8,542,657.40	6,069,457.75	5,249,697.49
Unrestricted	(682,558.57)	(1,529,028.58)	(1,660,203.15)	(2,502,807.83)	(2,024,655.01)	(2,077,291.69)	(1,528,355.74)	(1,794,306.65)	(1,664,540.46)	(1,845,670.98)
<b>Total district net position/assets</b>	<b>\$ 44,021,230.94</b>	<b>\$ 44,362,468.36</b>	<b>\$ 44,638,001.87</b>	<b>\$ 44,626,321.73</b>	<b>\$ 44,564,031.81</b>	<b>\$ 44,335,167.51</b>	<b>\$ 44,994,832.60</b>	<b>\$ 48,893,846.37</b>	<b>\$ 51,222,870.95</b>	<b>\$ 51,030,883.01</b>

Source: District records(A-1)

Cranford School District  
 Changes in Net Position/Assets  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-2

Expenses	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
<b>Instruction</b>										
Regular	\$ 14,733,569.82	\$ 15,378,308.50	\$ 15,638,668.08	\$ 16,211,787.13	\$ 16,705,921.51	\$ 17,468,570.13	\$ 17,806,421.61	\$ 17,652,317.09	\$ 18,082,518.97	\$ 17,718,659.46
Special education	4,141,558.54	4,772,380.05	4,943,974.54	4,978,503.19	5,347,087.95	5,760,933.35	6,028,485.93	5,799,060.31	6,130,645.84	6,425,432.37
Other special instruction	200,882.84	254,312.57	288,742.98	272,560.41	281,685.76	300,568.16	454,653.90	557,189.82	586,876.34	594,031.25
Other instruction	1,008,517.72	1,040,043.85	1,185,683.31	1,160,771.80	1,249,700.26	1,325,040.70	1,573,488.23	1,113,855.45	1,151,697.34	1,217,554.83
<b>Support Services:</b>										
Tuition	1,457,784.88	1,631,787.47	1,674,340.37	1,780,051.70	1,942,964.86	2,036,291.07	2,226,259.35	2,241,385.31	2,400,150.61	2,406,520.59
Student & instruction related services	4,266,323.33	4,695,971.61	4,973,097.86	5,180,183.36	5,891,902.85	6,204,579.28	6,324,613.33	5,852,037.18	6,029,088.86	6,969,451.82
General administration	734,776.85	845,079.88	834,492.91	847,387.59	956,423.73	943,244.21	867,520.94	851,659.67	765,879.18	719,833.51
School administrative services	2,399,906.72	2,370,562.98	2,445,501.49	2,432,218.53	2,478,507.95	2,661,708.55	2,615,055.51	2,593,571.71	2,731,754.26	2,761,069.92
Business and other support services	708,949.04									
<b>Central Services</b>										
Administrative information technology		679,831.05	683,984.34	684,563.56	740,930.46	730,532.78	703,057.09	762,285.74	803,924.81	760,040.23
Plant operations and maintenance		111,819.51	123,376.08	174,018.70	172,873.66	183,439.28	191,616.52	136,151.07	192,856.88	265,381.67
Pupil transportation	3,916,558.07	4,178,554.81	4,651,880.87	5,114,232.58	4,740,620.28	4,645,676.06	4,743,435.83	4,480,573.94	4,599,055.82	4,863,863.73
Unallocated benefits	1,076,755.36	1,212,816.90	1,286,032.61	1,334,084.20	1,436,527.35	1,437,594.93	1,367,157.97	1,113,284.21	1,090,840.52	1,325,804.65
Special schools	8,507,733.37	9,240,459.67	10,289,284.45	12,467,820.25	12,920,494.75	10,799,639.09	12,034,587.96	12,249,170.95	13,633,867.04	15,977,093.50
Interest on long-term debt	117,104.12	133,913.75	104,700.56	95,065.74	103,114.36	111,575.20	207.40			
Unallocated depreciation and amortization	203,778.74	135,659.28	128,739.49	121,494.70	114,053.55	105,964.01	97,299.38	150,887.61	634,066.92	438,847.50
Unallocated depreciation and amortization	44,431.25	64,390.30	64,574.82	64,574.82	55,741.09	82,080.76	43,618.76	27,048.34	26,816.15	26,816.15
<b>Total governmental activities expenses</b>	<b>43,518,630.65</b>	<b>46,745,892.18</b>	<b>49,317,074.76</b>	<b>52,919,318.26</b>	<b>55,138,550.37</b>	<b>54,797,437.56</b>	<b>57,077,479.71</b>	<b>55,580,478.40</b>	<b>58,860,039.54</b>	<b>62,470,401.18</b>
<b>Business-type activities:</b>										
Food service	672,912.98	742,576.16	787,188.24	795,809.37	817,604.61	845,492.34	794,575.27	776,666.29	757,730.85	682,680.65
Cranford School District Academy (CSDA)			24,344.42	41,754.14	45,837.76	46,770.80	49,011.71	26,971.72	12,825.00	
<b>Total business-type activities expense</b>	<b>672,912.98</b>	<b>742,576.16</b>	<b>811,532.66</b>	<b>837,563.51</b>	<b>863,442.37</b>	<b>892,263.14</b>	<b>843,586.98</b>	<b>803,638.01</b>	<b>770,555.85</b>	<b>682,680.65</b>
<b>Total district expenses</b>	<b>\$ 44,191,543.63</b>	<b>\$ 47,488,468.34</b>	<b>\$ 50,128,607.42</b>	<b>\$ 53,756,881.77</b>	<b>\$ 56,001,992.74</b>	<b>\$ 55,689,700.70</b>	<b>\$ 57,921,066.69</b>	<b>\$ 56,384,116.41</b>	<b>\$ 59,630,595.39</b>	<b>\$ 63,153,081.83</b>

Cranford School District  
 Changes in Net Position/Assets  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Operating grants and contributions	\$ 3,139,988.57	\$ 3,343,903.89	\$ 3,883,845.42	\$ 5,464,747.61	\$ 5,658,416.83	\$ 3,626,570.25	\$ 3,792,921.55	\$ 6,465,934.57	\$ 7,534,791.97	\$ 9,805,667.73
<b>Total governmental activities program revenues</b>	<u>3,139,988.57</u>	<u>3,343,903.89</u>	<u>3,883,845.42</u>	<u>5,464,747.61</u>	<u>5,658,416.83</u>	<u>3,626,570.25</u>	<u>3,792,921.55</u>	<u>6,465,934.57</u>	<u>7,534,791.97</u>	<u>9,805,667.73</u>
<b>Business-type activities:</b>										
Charges for services										
Food service	618,280.91	669,604.29	681,731.17	655,059.04	663,783.91	677,979.18	646,893.60	599,883.06	590,482.68	541,295.89
Cranford School District Academy (CSDA)			10,416.55							
Operating grants and contributions	87,290.84	106,539.38	133,946.73	176,286.37	181,716.34	169,566.59	157,249.57	156,491.55	126,406.28	112,324.50
<b>Total business type activities program revenues</b>	<u>705,571.75</u>	<u>776,143.67</u>	<u>826,094.45</u>	<u>831,345.41</u>	<u>845,500.25</u>	<u>847,545.77</u>	<u>804,143.17</u>	<u>756,374.61</u>	<u>716,888.96</u>	<u>653,620.39</u>
<b>Total district program revenues</b>	<u>\$ 3,845,560.32</u>	<u>\$ 4,120,047.56</u>	<u>\$ 4,709,939.87</u>	<u>\$ 6,296,093.02</u>	<u>\$ 6,503,917.08</u>	<u>\$ 4,474,116.02</u>	<u>\$ 4,597,064.72</u>	<u>\$ 7,222,309.18</u>	<u>\$ 8,251,680.93</u>	<u>\$ 10,459,288.12</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (40,378,642.08)	\$ (43,401,988.29)	\$ (45,433,229.34)	\$ (47,454,570.65)	\$ (49,480,133.54)	\$ (51,170,867.31)	\$ (53,284,558.16)	\$ (49,114,543.83)	\$ (51,325,247.57)	\$ (52,664,733.45)
Business-type activities	32,658.77	33,567.51	14,561.79	(6,218.10)	(17,942.12)	(44,717.37)	(39,443.81)	(47,263.40)	(53,666.89)	(29,060.26)
<b>Total district-wide net expense</b>	<u>\$ (40,345,983.31)</u>	<u>\$ (43,368,420.78)</u>	<u>\$ (45,418,667.55)</u>	<u>\$ (47,460,788.75)</u>	<u>\$ (49,498,075.66)</u>	<u>\$ (51,215,584.68)</u>	<u>\$ (53,324,001.97)</u>	<u>\$ (49,161,807.23)</u>	<u>\$ (51,378,914.46)</u>	<u>\$ (52,693,793.71)</u>
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental activities:</b>										
Property taxes levied for general purposes, net	\$ 33,737,025.00	\$ 35,926,588.00	\$ 37,830,007.00	\$ 39,872,851.00	\$ 41,578,467.00	\$ 42,965,510.00	\$ 44,780,105.00	\$ 46,233,915.00	\$ 46,806,452.00	\$ 47,509,629.00
Taxes levied for debt service	382,251.00	338,771.00	341,836.00	348,627.00	346,233.00	358,370.00	275,880.00	360,914.00	921,875.00	1,163,224.00
Federal and State aid not restricted	2,747,950.00	3,085,456.00	2,968,260.80	2,949,692.00	3,023,375.64	3,447,503.20	3,565,296.00	8,914.00	847.09	73,422.80
Federal and State aid restricted	1,870,598.46	1,257,570.38	1,169,503.84	1,166,947.16	1,338,669.84	1,219,813.82	1,992,169.80	2,930,244.30	2,597,112.94	171,260.13
Tuition Received	1,844,763.05	2,774,037.93	2,963,267.65	2,690,009.28	2,840,046.70	2,865,802.59	3,117,970.09	3,374,520.69	3,289,193.81	3,368,207.44
Investment earnings	15,322.43	57,037.64	168,505.73	219,116.37	120,993.36	31,818.76	12,474.72	9,492.85	2,949.10	1,303.11
Miscellaneous income	222,919.41	267,777.98	247,181.95	195,190.21	183,909.20	180,631.18	155,861.68	142,671.03	126,831.06	160,759.29
Special Item-Insurance Reimbursement										
Transfers									16,678.04	
<b>Total governmental activities</b>	<u>40,820,829.35</u>	<u>43,707,238.93</u>	<u>45,688,562.97</u>	<u>47,442,433.02</u>	<u>49,431,694.74</u>	<u>51,069,449.55</u>	<u>53,899,757.29</u>	<u>53,060,671.87</u>	<u>53,761,939.04</u>	<u>52,447,805.77</u>
<b>Business-type activities:</b>										
Investment earnings	293.79	2,419.22	5,638.14	6,675.59	4,091.00	785.53	394.74	149.13	-	-
<b>Total business-type activities</b>	<u>293.79</u>	<u>2,419.22</u>	<u>5,638.14</u>	<u>6,675.59</u>	<u>4,091.00</u>	<u>785.53</u>	<u>394.74</u>	<u>149.13</u>	<u>-</u>	<u>-</u>
<b>Total district-wide</b>	<u>\$ 40,821,123.14</u>	<u>\$ 43,709,658.15</u>	<u>\$ 45,694,201.11</u>	<u>\$ 47,449,108.61</u>	<u>\$ 49,435,785.74</u>	<u>\$ 51,070,235.08</u>	<u>\$ 53,900,152.03</u>	<u>\$ 53,060,821.00</u>	<u>\$ 53,761,939.04</u>	<u>\$ 52,447,805.77</u>

Cranford School District  
 Changes in Net Position/Assets  
 Last Ten Fiscal Years  
*(accrual basis of accounting)*

Exhibit J-2

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Change in Net Position/Assets										
Governmental activities	\$ 442,187.27	\$ 305,250.64	\$ 255,333.63	\$ (12,137.63)	\$ (48,438.80)	\$ (101,417.76)	\$ 615,199.13	\$ 3,946,128.04	\$ 2,436,691.47	\$ (216,927.68)
Business-type activities	32,952.56	35,986.73	20,199.93	457.49	(13,851.12)	(43,931.84)	(39,049.07)	(47,114.27)	(53,666.89)	(29,060.26)
Total district	\$ 475,139.83	\$ 341,237.37	\$ 275,533.56	\$ (11,680.14)	\$ (62,289.92)	\$ (145,349.60)	\$ 576,150.06	\$ 3,899,013.77	\$ 2,383,024.58	\$ (245,987.94)

Source: District records (A-2)

Notes

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.  
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Cranford School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 223,870.90	\$ 1,080,463.69	\$ 1,397,540.29	\$ 1,040,497.65	\$ 536,853.95	\$ 488,060.85	\$ 608,044.95			
Unreserved	892,571.88	874,224.01	755,187.70	294,471.70	312,165.85	612,226.98	850,688.71			
Total general fund	<u>\$ 1,116,442.78</u>	<u>\$ 1,954,687.70</u>	<u>\$ 2,152,727.99</u>	<u>\$ 1,334,969.35</u>	<u>\$ 849,019.80</u>	<u>\$ 1,100,287.83</u>	<u>\$ 1,458,733.66</u>	\$ -	\$ -	\$ -
All Other Governmental Funds										
Reserved	\$ 286,449.54	\$ 41,434.37	\$ 37,493.37	\$ 12,501.00	\$ 12,501.00	\$ 91,480.00	\$ 709,160.00			
Unreserved, reported in:										
Special Revenue Fund										
Capital Projects Fund		74,162.88	71,882.88	86,532.88	86,532.88	7,553.26	(964,580.71)			
Debt Service Fund	3,942.74	1.23	0.72	0.21	0.45	0.81	0.05			
Total all other governmental funds	<u>\$ 290,392.28</u>	<u>\$ 115,598.48</u>	<u>\$ 109,376.97</u>	<u>\$ 99,034.09</u>	<u>\$ 99,034.33</u>	<u>\$ 99,034.07</u>	<u>\$ (255,420.66)</u>	\$ -	\$ -	\$ -
<b>Governmental Funds:</b>										
Restricted For:										
Excess Surplus - Current Year										
Excess Surplus - Prior Year - Designated								1,204,341.84	441,522.60	
For Ssubsequent Year Expenditures										
Capital Reserve Account								70,184.96	1,204,341.84	441,522.60
Committed For:								1.00	1.00	1.00
Year-End Encumbrances										
General Fund										
Capital Projects Fund								422,175.89	408,916.98	587,169.36
Assigned To:								4,961,303.30	321,827.06	47,917.28
General Fund -Designated										
For Ssubsequent Year Expenditures										
Debt Service Fund								341,463.04	813,627.16	1,032,759.40
Capital Projects Fund								1.04	3.65	5.15
Unassigned:								2,306,826.26	4,101,762.60	4,173,082.10
General Fund										
Total Fund Balances								<u>519,862.70</u>	<u>449,039.49</u>	<u>(254,138.86)</u>
								<u>\$9,826,160.03</u>	<u>\$7,741,042.38</u>	<u>\$6,028,318.03</u>

Source: CAFR Schedule B-1

Note: For Years Commencing With The 2010-2011 School Year, The Provisions Of GASB Statement No. 54 Were Applicable.

Cranford School District  
 Changes in Fund Balances, Governmental Funds,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Exhibit J-4

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Tax levy	\$ 34,119,276.00	\$ 36,265,359.00	\$ 38,171,843.00	\$ 40,221,478.00	\$ 41,924,700.00	\$ 43,323,880.00	\$ 45,055,985.00	\$ 46,594,829.00	\$ 47,728,327.00	\$ 48,672,853.00
Tuition charges	1,844,763.05	2,774,037.93	2,963,267.65	2,690,009.28	2,840,046.70	2,865,802.59	3,117,970.09	3,374,520.69	3,289,193.81	3,368,207.44
Miscellaneous	151,357.32	324,815.62	415,687.68	414,306.58	304,902.56	212,449.94	168,336.40	152,163.88	129,780.16	162,062.40
Local sources	86,884.52	72,450.65	51,343.43	57,044.17	165,399.66	67,214.21	50,111.23	32,370.09	45,269.46	36,859.98
State sources	6,987,613.09	6,742,430.36	7,064,744.22	8,614,105.94	8,879,057.64	8,073,190.82	7,690,888.62	7,919,723.26	8,848,004.82	8,783,905.00
Federal sources	770,923.94	872,049.26	905,522.41	910,236.66	976,005.01	153,482.24	1,609,387.50	1,452,999.52	1,239,477.72	1,229,585.68
<b>Total revenue</b>	<b>43,960,817.92</b>	<b>47,051,142.82</b>	<b>49,572,408.39</b>	<b>52,907,180.63</b>	<b>55,090,111.57</b>	<b>54,696,019.80</b>	<b>57,692,678.84</b>	<b>59,526,606.44</b>	<b>61,280,052.97</b>	<b>62,253,473.50</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	14,749,845.33	15,127,941.85	15,722,247.49	16,289,966.00	16,646,150.53	17,316,995.34	17,780,443.43	17,421,802.61	17,856,645.04	17,743,056.11
Special education instruction	4,123,731.96	4,711,631.15	4,935,848.92	4,921,804.61	5,334,749.37	5,722,873.57	6,093,482.75	5,787,533.81	6,105,820.17	6,388,921.11
Other special instruction	200,882.84	254,312.57	288,742.98	272,560.41	281,685.76	300,568.16	454,653.90	531,426.78	586,876.34	594,031.25
Other instruction	1,013,372.52	1,041,161.82	1,181,427.12	1,157,276.10	1,238,535.94	1,281,392.53	1,553,570.40	1,110,420.45	1,121,443.92	1,182,189.09
<b>Support Services:</b>										
Tuition	1,457,784.88	1,631,787.47	1,674,340.37	1,780,051.70	1,942,964.86	2,036,291.07	2,226,259.35	2,241,395.31	2,400,150.61	2,406,520.59
Student & inst. related services	4,266,323.33	4,597,225.61	4,948,381.86	5,177,480.36	5,873,992.85	6,117,534.28	6,374,057.33	5,848,567.18	6,013,083.86	6,971,990.82
General administration	724,465.85	833,233.88	833,515.91	844,828.91	948,414.73	960,686.21	869,417.94	851,659.67	702,933.45	719,833.51
School administrative services	2,348,623.76	2,319,722.78	2,375,080.54	2,442,421.25	2,507,593.37	2,612,116.26	2,694,221.72	2,664,712.37	2,698,257.14	2,766,153.88
Central services		654,890.39	638,459.56	664,972.07	708,028.14	704,608.87	708,624.39	751,723.76	803,924.81	765,014.58
Admin. information technology		111,819.51	123,376.08	174,018.70	172,873.66	183,439.28	191,616.52	136,151.07	192,856.88	265,381.67
Business & other support service	698,629.35	3,191.78								
Plant operations and maintenance	3,806,837.44	3,814,108.82	4,587,214.85	5,347,898.81	4,715,173.32	4,425,674.18	4,510,223.09	4,287,348.70	4,337,711.17	5,133,156.17
Pupil transportation	1,076,357.22	1,209,677.90	1,278,176.61	1,329,485.20	1,436,399.35	1,437,016.93	1,365,223.67	1,181,660.96	1,134,938.56	1,322,037.50
Employee benefits	8,507,733.37	9,240,459.67	10,289,284.45	12,467,820.25	12,920,494.75	10,799,639.09	12,034,587.96	12,249,170.95	13,633,967.04	15,977,093.50
Special Schools	117,104.12	133,913.75	104,700.56	95,065.74	103,114.36	111,575.20	207.40			
Capital outlay	3,058,954.74	942,262.20	239,801.40	776,664.73	556,756.53	419,854.80	562,404.53	7,938,365.10	4,931,223.84	1,112,208.20
<b>Debt service:</b>										
Principal	195,000.00	205,000.00	215,000.00	225,000.00	230,000.00	250,000.00	260,000.00	270,000.00	285,000.00	720,000.00
Interest and other charges	214,250.57	137,602.51	130,777.51	123,627.51	116,233.76	108,370.26	99,858.76	90,915.01	636,872.39	443,222.50
<b>Total expenditures</b>	<b>46,559,897.28</b>	<b>46,969,943.66</b>	<b>49,566,376.21</b>	<b>54,090,942.35</b>	<b>55,733,161.28</b>	<b>54,788,636.03</b>	<b>57,778,853.14</b>	<b>63,362,853.73</b>	<b>63,441,705.22</b>	<b>64,510,810.48</b>
<b>Excess (Deficiency) of revenues over (under) expenditures</b>	<b>(2,599,079.36)</b>	<b>81,199.16</b>	<b>6,032.18</b>	<b>(1,183,761.72)</b>	<b>(643,049.71)</b>	<b>(92,616.23)</b>	<b>(86,174.30)</b>	<b>(3,836,247.29)</b>	<b>(2,161,652.25)</b>	<b>(2,257,336.98)</b>
<b>Other Financing sources (uses)</b>										
Proceeds from bond sale										
Insurance Recovery Related to Other Costs:								11,988,000.00		
Super Storm Sandy Hurricane Irene										144,803.00
Capital leases (non-budgeted)	171,238.80	582,253.96	185,784.60	355,660.20	157,100.40	343,884.00	90,165.40	471,094.32	76,434.60	333,010.86
<b>Total other financing sources (uses)</b>	<b>171,238.80</b>	<b>582,253.96</b>	<b>185,784.60</b>	<b>355,660.20</b>	<b>157,100.40</b>	<b>343,884.00</b>	<b>90,165.40</b>	<b>12,459,094.32</b>	<b>76,434.60</b>	<b>544,612.63</b>
<b>Net change in fund balances</b>	<b>\$ (2,427,840.56)</b>	<b>\$ 663,453.12</b>	<b>\$ 191,816.78</b>	<b>\$ (828,101.52)</b>	<b>\$ (485,949.31)</b>	<b>\$ 251,267.77</b>	<b>\$ 3,991.10</b>	<b>\$ 8,622,847.03</b>	<b>\$ (2,085,217.65)</b>	<b>\$ (1,712,724.35)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>0.94%</b>	<b>0.74%</b>	<b>0.70%</b>	<b>0.65%</b>	<b>0.63%</b>	<b>0.66%</b>	<b>0.63%</b>	<b>0.65%</b>	<b>1.58%</b>	<b>1.83%</b>
<b>Source: CAFR Schedule B-2</b>										

Note: Noncapital expenditures are total expenditures less capital outlay.

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

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

Cranford School District  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years  
 Unaudited  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Admissions	Rentals	Misc.	Annual Totals
2004	\$1,844,763.05	\$14,380.22	\$21,716.00	\$24,256.50	\$90,062.34	\$1,995,178.11
2005	2,774,037.93	57,037.64	14,253.00	55,966.00	197,558.98	3,098,853.55
2006	2,963,267.65	168,505.73	19,588.00	30,980.55	196,613.40	3,378,955.33
2007	2,690,009.28	219,116.37	17,918.00	27,856.45	149,415.76	3,104,315.86
2008	2,840,046.70	120,993.36	14,806.00	34,608.10	134,494.10	3,144,948.26
2009	2,865,802.59	31,818.76	15,914.00	33,339.00	131,378.18	3,078,252.53
2010	3,117,970.09	12,474.72	14,199.00	28,801.50	112,861.18	3,286,306.49
2011	3,374,520.69	9,492.85	11,697.00	34,892.25	96,081.78	3,526,684.57
2012	3,289,193.81	2,949.10	21,658.00	33,265.00	71,908.06	3,418,973.97
2013	3,368,207.44	1,303.11	21,200.00	22,510.00	117,049.29	3,530,269.84

Source: District records

## Revenue Capacity

Cranford Public School District  
Assessed Value and Actual Value of Taxable Property,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Business Personal Property <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2004	\$7,084,100	\$1,328,255,400	\$105,200	\$274,221,100	\$50,938,500	\$6,742,800	\$1,667,347,100	\$699,063	\$1,668,046,163	\$3,253,988,898	\$2.105
2005	6,819,500	1,333,744,900	105,200	273,396,600	50,021,300	6,510,400	1,670,597,900	3,456,331	1,674,054,231	3,583,605,661	2.224
2006	7,235,900	1,342,358,100	105,200	252,391,800	49,891,300	6,510,400	1,658,492,700	3,062,178	1,661,554,878	3,964,924,783	2.359
2007	10,160,700	1,345,807,100	105,200	233,950,900	48,125,100	6,501,800	1,644,650,800	2,412,869	1,647,063,669	4,204,756,371	2.494
2008	10,286,500	1,349,760,700	105,200	235,664,800	47,977,400	6,151,800	1,649,946,400	2,724,644	1,652,671,044	4,301,590,432	2.579
2009	9,188,200	1,354,906,500	105,200	240,213,700	48,142,200	6,151,800	1,658,707,600	3,025,102	1,661,732,702	4,341,357,824	2.657
2010	8,501,100	1,359,434,000	105,200	228,052,100	48,682,200	6,551,800	1,651,326,400	3,084,021	1,654,410,421	4,252,540,543	2.773
2011	7,186,500	1,359,946,100	105,200	220,479,400	48,867,200	6,556,800	1,643,141,200	3,450,208	1,646,591,408	4,133,780,302	2.881
2012	8,777,300	1,359,211,800	105,200	207,036,500	48,467,200	6,371,500	1,629,969,500	3,411,227	1,633,380,727	4,067,973,887	2.959
2013	8,165,300	1,356,874,600	105,200	212,569,900	46,354,200	6,166,500	1,630,235,700	2,982,603	1,633,218,303	3,982,206,942	3.010

Source: Municipal Tax Assessor

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

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

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

b Tax rates are per \$100

Cranford Public School District  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 Unaudited  
*(rate per \$100 of assessed value)*

Calendar Year	Cranford School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Township of Cranford	Union County	
2004	\$2.084	\$0.021	\$2.105	\$0.856	\$0.761	\$3.722
2005	\$2.203	\$0.021	\$2.224	\$0.926	\$0.793	\$3.943
2006	\$2.338	\$0.021	\$2.359	\$1.009	\$0.801	\$4.169
2007	\$2.473	\$0.021	\$2.494	\$1.121	\$0.843	\$4.458
2008	\$2.558	\$0.021	\$2.579	\$1.216	\$0.875	\$4.670
2009	\$2.636	\$0.021	\$2.666	\$1.270	\$0.918	\$4.854
2010	\$2.752	\$0.021	\$2.773	\$1.285	\$0.975	\$5.033
2011	\$2.825	\$0.056	\$2.881	\$1.317	\$1.065	\$5.263
2012	\$2.888	\$0.071	\$2.959	\$1.363	\$1.135	\$5.457
2013	\$2.938	\$0.072	\$3.010	\$1.390	\$1.212	\$5.612

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

b Rates for debt service are based on each year's requirements.

Cranford Public School District  
Principal Property Taxpayers,  
Current Year and Ten Years Ago

Exhibit J-8

Taxpayer	2013			2003		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
20 Commerce Drive Assoc.	\$ 10,242,800	1	0.63%	\$ 18,850,000	1	1.13%
Cranford Development LLC	7,818,500	2	0.48%			
H-Cranford Credit Ltd. Partnership	7,000,000	3	0.43%	13,582,000	3	0.82%
Cranford Business Park	6,994,000	4	0.43%			
East Coast Cranford Crossing	6,967,900	5	0.43%			
Long Island Holdings B LLC	6,393,100	6	0.39%			
Central Cranford Associates	5,850,000	7	0.36%			
Excel-Care Inc.	5,700,000	8	0.35%	9,122,800	4	0.55%
Apple Seven Hospitality Ownership	5,053,600	9	0.31%			
11 Commerce Drive Assoc.	4,270,500	10	0.26%	8,200,000	8	0.49%
H-Cranford Credit Ltd. Partnership				8,674,700	6	0.52%
Coachman Hotel, LLC				9,000,000	5	0.54%
Allan Rose				8,242,900	7	0.49%
Bell Atlantic				7,621,175	9	0.46%
Bell Atlantic				6,271,200	10	0.38%
Health Care REIT Inc.				15,900,000	2	0.95%
<b>Total</b>	<b>\$ 66,290,400</b>		<b>4.03%</b>	<b>\$ 105,464,775</b>		<b>6.33%</b>

Source: Municipal Tax Assessor

Cranford Public School District  
Property Tax Levies and Collections,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	\$34,119,276.00	\$34,119,276.00	100.00%	-
2005	\$36,265,359.00	\$36,265,359.00	100.00%	-
2006	\$38,171,843.00	\$38,171,843.00	100.00%	-
2007	\$40,221,478.00	\$40,221,478.00	100.00%	-
2008	\$41,924,700.00	\$40,221,478.00	100.00%	-
2009	\$43,323,880.00	\$43,323,880.00	100.00%	-
2010	\$45,055,985.00	\$45,055,985.00	100.00%	-
2011	\$46,594,829.00	\$46,594,829.00	100.00%	-
2012	\$47,728,327.00	\$47,728,327.00	100.00%	-
2013	\$48,672,853.00	\$48,672,853.00	100.00%	-

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

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

## Debt Capacity

Cranford Public School District  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	<u>General Obligation Bonds</u>	<u>Capital Leases</u>	<u>Total District</u>		
2004	3,977,000.00	355,543.99	4,332,543.99	0.99%	419.78
2005	3,772,000.00	689,527.13	4,461,527.13	0.99%	436.94
2006	3,557,000.00	676,406.90	4,233,406.90	1.15%	549.74
2007	3,332,000.00	680,385.63	4,012,385.63	1.26%	642.52
2008	3,102,000.00	590,054.83	3,692,054.83	1.42%	734.09
2009	2,852,000.00	743,909.80	3,595,909.80	1.35%	664.47
2010	2,592,000.00	615,654.68	3,207,654.68	1.57%	740.41
2011	14,310,000.00	730,809.84	15,040,809.84	0.35%	163.43
2012	14,025,000.00	585,122.73	14,610,122.73	N/A	N/A
2013	13,305,000.00	437,921.79	13,742,921.79	N/A	N/A

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

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

N/A At the time of CAFR completion, this data was not yet available

Cranford Public School District  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
 Unaudited

General Bonded Debt Outstanding

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2003	\$4,172,000.00		\$4,172,000.00	0.25%	\$103.81
2004	3,977,000.00		3,977,000.00	0.24%	101.99
2005	3,772,000.00		3,772,000.00	0.23%	99.69
2006	3,557,000.00		3,557,000.00	0.21%	104.12
2007	3,332,000.00		3,332,000.00	0.20%	102.67
2008	3,102,000.00		3,102,000.00	0.19%	98.18
2009	2,852,000.00		2,852,000.00	0.17%	83.62
2010	2,592,000.00		2,592,000.00	0.16%	79.04
2011	14,310,000.00		14,310,000.00	0.87%	453.78
2012	14,025,000.00		14,025,000.00	0.86%	457.76
2013	13,305,000.00		13,305,000.00	N/A	N/A

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

N/A At the time of CAFR completion, this data was not yet available

Cranford Public School District  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2012  
 Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Cranford	\$40,186,783.15	100.00%	\$40,186,783.15
County of Union	548,231,132.54	6.05%	<u>33,144,522.96</u>
Subtotal, overlapping debt			73,331,306.11
Cranford School District Direct Debt			<u>13,305,763.00</u>
Total direct and overlapping debt			<u><u>\$86,637,069.11</u></u>

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

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

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

Cranford Public School District  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years  
 Unaudited

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2013:

	Equalized valuation basis	
	2012	\$3,961,043,742.00
	2011	4,077,273,449.00
	2010	4,128,316,000.00
		<u>\$12,166,633,191.00</u>
	[A]	\$12,166,633,191.00
Average equalized valuation of taxable property	[A/3]	\$4,055,544,397.00
Debt limit (4% of average equalized value)	[B]	162,221,775.88 <sup>a</sup>
Total Debt Applicable to Limit	[C]	<u>13,305,763.00</u>
Legal Debt Margin	[B-C]	<u>\$148,916,012.88</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$104,658,545.12	\$117,019,501.61	\$130,379,488.61	\$144,742,852.45	\$157,324,238.62	\$166,454,059.97	\$169,778,804.81	\$168,939,538.71	\$166,043,202.04	\$162,221,775.88
Total net debt applicable to limit	<u>3,977,000.00</u>	<u>3,772,000.00</u>	<u>3,557,000.00</u>	<u>3,332,000.00</u>	<u>3,102,000.00</u>	<u>2,852,000.00</u>	<u>14,580,763.00</u>	<u>14,310,763.00</u>	<u>14,025,763.00</u>	<u>13,305,763.00</u>
Legal debt margin	<u>\$100,681,545.12</u>	<u>\$113,247,501.61</u>	<u>\$126,822,488.61</u>	<u>\$141,410,852.45</u>	<u>\$154,222,238.62</u>	<u>\$163,602,059.97</u>	<u>\$155,198,041.81</u>	<u>\$154,628,775.71</u>	<u>\$152,017,439.04</u>	<u>\$148,916,012.88</u>
Total net debt applicable to the limit as a percentage of debt limit	3.80%	3.22%	2.73%	2.30%	1.97%	1.71%	8.59%	8.47%	8.45%	8.20%

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

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

## Demographic and Economic Information

Cranford Public School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
Unaudited

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2004	22,272	\$952,684,800.00	\$42,775	2.10%
2005	22,087	977,195,141.00	44,243	2.50%
2006	21,927	1,066,441,572.00	48,636	2.60%
2007	21,812	1,107,002,624.00	50,752	2.40%
2008	21,851	1,142,960,257.00	52,307	3.10%
2009	22,059	1,074,780,657.00	48,723	5.40%
2010	22,667	1,143,504,816.00	50,448	5.50%
2011	22,752	1,187,972,928.00	52,214	5.50%
2012	23,016	1,227,030,833.00	53,312	5.50%
2013	N/A	N/A	N/A	N/A

Source: <sup>a</sup> Population information provided by the US Bureau of the Census, Population Division - Estimates.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income represents County of Union provided by NJ Department of Labor and Workforce Development through 2012.

<sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A At the time of CAFR completion, this data was not yet available

Cranford Public School District  
Principal Employers,  
Current Year and Ten Years Ago  
Unaudited

Employer	2013			2003		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Union County College	750	1	5.98%	750	1	N/A
Cranford Public School District	594	2	4.74%	475	2	N/A
Township of Cranford	350	3	2.79%	325	3	N/A
All-State Legal	250	4	1.99%	N/A	4	N/A
Cranford Health & Extended Care	250	5	1.99%	N/A	N/A	N/A
ELL Inc.	250	6	1.99%	275.00%	N/A	N/A
Partners Healthcare	250	7	1.99%	N/A	N/A	N/A
Atria Cranford	150	8	1.20%	N/A	N/A	N/A
Birdsall Services Group	150	9	1.20%	N/A	N/A	N/A
Centennial Avenu Pool	150	10	1.20%	N/A	N/A	N/A
Damon G. Douglass Co.	150	11	1.20%	N/A	N/A	N/A
Graber-Rogg Inc.	150	12	1.20%	N/A	N/A	N/A
Madan Plastics, Inc.	150	13	1.20%	N/A	N/A	N/A
Paragon Computer Professionals	150	14	1.20%	N/A	N/A	N/A
Registrar & Transfer Co	150	15	1.20%	N/A	N/A	N/A
	<u>3,894</u>		<u>31.07%</u>	<u>1,553</u>		<u>N/A</u>

- 145 -

Number of employees are estimated.

Source: Union County Economic Development Corporation and other sources.

N/A - At the time of CAFR completion, this data was not available.

## Operating Information

Cranford Public School District  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years  
 Unaudited

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Instruction</b>										
Regular	210	216	227	228	234	237	239	247	252	250
Special education	117	121	125	116	115	119	128	109	113	122
Other instruction	3	3	3	3	4	5	7	9	10	11
<b>Support Services:</b>										
Student & instruction related services	69	76	80	86	94	99	99	77	79	91
General administration	6	6	6	6	6	6	6	5	4	3
School administrative services	38	38	37	37	37	37	37	36	36	38
Business and other support services	10									
Central services		8	8	8	8	8	8	8	8	8
Administrative Information Technology		1	2	3	3	3	3	2	3	4
Plant operations and maintenance	65	65	65	65	65	65	65	66	66	66
Pupil transportation	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<u>519</u>	<u>535</u>	<u>554</u>	<u>553</u>	<u>567</u>	<u>580</u>	<u>593</u>	<u>560</u>	<u>572</u>	<u>594</u>

Source: District Personnel Records

Notes:

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.  
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Cranford Public School District  
 Operating Statistics,  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff <sup>b</sup>	Elementary	Middle School	Senior High School				
2004	3,534.3	\$41,999,351.83	11,883.36	2.54%	279.00	12.4	10.2	8.2	3,534.3	3,384.3	3.28%	95.76%
2005	3,655.1	44,565,783.43	12,192.77	2.60%	280.00	13.3	11.5	9.3	3,655.1	3,496.3	3.42%	95.66%
2006	3,692.5	47,827,662.46	12,952.65	6.23%	288.00	13.7	11.4	10.1	3,692.5	3,539.0	1.02%	95.84%
2007	3,717.0	51,817,950.87	13,940.80	7.63%	291.00	13.6	11.2	10.7	3,717.0	3,574.0	0.66%	96.15%
2008	3,725.7	53,593,329.88	14,384.77	3.18%	294.00	13.5	10.4	9.8	3,725.7	3,570.9	0.23%	95.85%
2009	3,800.8	52,790,597.15	13,889.34	-3.44%	294.00	13.9	10.5	9.8	3,800.8	3,657.1	2.02%	96.22%
2010	3,887.3	55,193,387.21	14,198.39	-1.30%	295.00	13.6	10.2	9.8	3,887.3	3,744.1	4.34%	96.32%
2011	3,919.1	53,449,824.59	13,638.29	-1.81%	319.00	12.8	9.9	9.8	3,919.1	3,769.5	3.11%	96.18%
2012	3,906.4	56,277,733.35	14,406.55	1.47%	322.00	13.1	10.7	9.9	3,906.4	3,778.8	0.49%	96.73%
2013	3,898.0	61,635,996.24	15,812.21	15.94%	332	13.2	10.6	10.5	3,898.0	3,740.3	-0.22%	95.95%

Sources: District records

Note: Enrollment based on Average Daily Enrollment.

- a Operating expenditures equal total expenditures less debt service and capital outlay (includes "on-behalf" payments by State of New Jersey for T.P.A.F. pension and social security).
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Cranford Public School District  
School Building Information  
Last Ten Fiscal Years  
Unaudited

<u>District Buildings</u>	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Elementary</u>										
Bloomingdale Avenue (1957)										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	225	225	225	225	225	225	225	225	225	225
Enrollment	254	257	248	247	244	246	232	242	249	247
Brookside Place School (1953)										
Square Feet	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080
Capacity (students)	377	377	377	377	377	377	377	377	377	377
Enrollment	382	386	375	395	400	412	416	433	427	407
Livingston Avenue School (1957)										
Square Feet	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915
Capacity (students)	274	274	274	274	274	274	274	274	274	274
Enrollment	225	228	227	214	224	224	242	229	262	261
Walnut Avenue School (1954)										
Square Feet	36,595	36,595	36,595	36,595	36,595	36,595	36,595	36,595	36,595	36,595
Capacity (students)	304	304	304	304	304	304	304	304	304	304
Enrollment	275	285	268	306	285	307	312	320	312	305
<u>Middle Schools</u>										
Hillside Avenue School (1960)										
Square Feet	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070
Capacity (students)	863	863	863	863	863	863	863	863	863	863
Enrollment	630	650	643	647	647	663	699	726	701	718
Orange Avenue School (1963)										
Square Feet	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070
Capacity (students)	859	859	859	859	859	859	859	859	859	859
Enrollment	683	694	735	739	750	764	783	776	739	762
<u>High School</u>										
Cranford Senior High School (1937)										
Square Feet	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000
Capacity (students)	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751
Enrollment	1,006	1,062	1,097	1,104	1,088	1,099	1,121	1,109	1,133	1,117
<u>Other</u>										
Lincoln School (1913)										
Square Feet	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185
Capacity (students)	120	120	120	120	120	120	120	120	120	120
Enrollment	87	102	111	93	92	92	93	93	88	79
<u>Number of Schools at June 30, 2012:</u>										
Elementary = 4										
Middle School = 2										
Senior High School = 1										
Other = 1										

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on year end district count.

Cranford Public School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
 Unaudited

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

*School Facilities Project # (s)	Cranford Senior High School	Hillside Avenue School	Orange Avenue School	Bloomingdale Avenue School	Brookside Place School	Lincoln School	Livingston Avenue School	Walnut Avenue School	Total
2004	\$141,602	\$59,562	\$53,850	\$22,984	\$63,467	\$78,123	\$33,035	\$28,522	\$481,145
2005	166,519	52,368	81,033	22,074	35,974	53,214	25,418	39,765	476,365
2006	325,716	74,541	120,523	26,511	34,750	179,279	38,564	25,780	825,664
2007	350,566	137,504	96,513	26,289	22,111	95,659	776,847	27,125	1,532,614
2008	299,358	88,989	115,924	19,723	18,700	40,406	136,449	29,220	748,769
2009	237,733	94,899	59,230	33,335	31,909	30,258	37,357	42,215	566,936
2010	231,068	89,676	77,608	50,290	42,386	48,955	49,073	48,678	637,734
2011	127,026	65,003	66,477	21,652	20,073	33,531	13,773	19,880	367,415
2012	226,997	58,009	54,382	17,601	17,703	93,642	21,916	21,703	511,953
2013	384,581	115,224	132,264	31,882	270,382	115,431	62,826	73,311	1,185,901
<b>Total School Facilities</b>	<b>\$ 2,491,166</b>	<b>\$ 835,775</b>	<b>\$ 857,804</b>	<b>\$ 272,341</b>	<b>\$ 557,455</b>	<b>\$ 768,498</b>	<b>\$ 1,195,258</b>	<b>\$ 356,199</b>	<b>\$ 7,334,496</b>

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

Source: District records

Cranford Public School District  
Insurance Schedule  
June 30, 2013  
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Blanket Building & Contents including		
Personal Property of Others	\$11,249,996.00	\$1,000.00
Program Blanket Limit	250,000,000.00	
Excess Liability Policy CAP	50,000,000.00	
Food Spoilage (within Blanket Limit)		
Electronic Data Processing (within Blanket Limit)		
Automobile and General Liability Each Occurrence*	10,000,000.00	
Employee Benefits Liability*	10,000,000.00	1,000.00
Automobile Liability*	10,000,000.00	
Uninsured Motorist Liability	15,000.00/30,000.00/5,000.00	
Boiler and Machinery (within Blanket Limit)		
Crime:		
Blanket Employee Dishonesty - Per Loss	500,000.00	1,000.00
Forgery and Alteration	50,000.00	1,000.00
Theft, Disappearance & Destruction	2,500,000.00	1,000.00
Workers Compensation:		
Limit per Accident	5,000,000.00	
Disease per Policy Limit	5,000,000.00	
Disease Each Employee Limit	5,000,000.00	
School Professional Legal Liability*	10,000,000.00	10,000.00
Public Officials Bond:		
Treasurer of School Monies/ Business Administrator/Board Secretary	300,000.00	

\* \$5,000,000.00 primary insurance plus \$5,000,000.00 excess coverage.

Source: District Records

**SINGLE AUDIT SECTION**

**SECTION – K**

**HODULIK & MORRISON, P.A.**  
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K-1

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JO ANN BOOS, CPA, PSA

MEMBERS OF:  
AMERICAN INSTITUTE OF CPA'S  
NEW JERSEY SOCIETY OF CPA'S  
REGISTERED MUNICIPAL ACCOUNTANTS OF N

**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  
Cranford School District  
Cranford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Cranford Board of Education in the County of Union, State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Cranford Board of Education's basic financial statements and have issued our report thereon dated November 12, 2013.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

We noted other matters involving internal control and internal control over financial reporting that we reported to the Board of Education in a separate report entitled, Auditors Management Report on Administrative Findings dated November 12, 2013.

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

*Hodulik & Morrison, P.A.*

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

Highland Park, New Jersey  
November 12, 2013

**HODULIK & MORRISON, P.A.**  
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REGISTERED MUNICIPAL ACCOUNTANTS  
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K-2

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

JO ANN BOOS, CPA, PSA

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

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

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

We have audited the compliance of the Cranford Board of Education with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey Compliance Manual State Grant Compliance Supplement that could have a direct and material effect on each of the Cranford Board of Education's major federal and state programs for the year ended June 30, 2013. The Cranford Board of Education's major federal and state programs are identified in the Summary of Auditor's Results Section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

### **Opinion on each Major Federal and State Program**

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

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

Management of the Cranford Board of Education is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Cranford Board of Education's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state programs to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Cranford Board of Education's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above.

### **Purpose of Report**

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

*Hodulik & Morrison, P.A.*

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

Highland Park, New Jersey  
November 12, 2013

CRANFORD PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL C.F.D.A NO.	GRANT PERIOD	AWARD AMOUNT	BALANCE	ADJUST - MENTS	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAY. PR. YRS. BALANCES	BALANCE AT JUNE 30, 2013			
				AT JUNE 30, 2012					ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR	
U.S. Department of Education:												
Passed-through State Department of Education:												
Special Revenue Fund:												
Special Education Cluster (IDEA)												
I.D.E.A. Part B, Basic Regular	84.027	9/1/11-8/31/12	853,048.62	(141,786.55)	(0.62)	165,523.00	(23,735.83)					
I.D.E.A. Part B, Basic Regular	84.027	9/1/12-8/31/13	850,510.54		0.62	505,907.00	(849,916.29)			(344,008.67)		
I.D.E.A. Part B, Preschool	84.173	9/1/11-8/31/12	29,437.07	(2,608.51)	(0.07)	6,119.00	(3,510.42)			(3,510.42)		
I.D.E.A. Part B, Preschool	84.173	9/1/12-8/31/13	33,030.75		0.07	26,825.00	(29,437.07)			(2,612.00)		
Total Special Education Cluster (IDEA)				(144,395.06)		704,374.00	(906,599.61)			(346,620.67)		
Title I, Part A Cluster												
NCLB - Title I, Part A	84.010	9/1/11-8/31/12	80,227.00	(17,731.00)		17,731.00						
NCLB - Title I, Part A	84.010	9/1/12-8/31/13	127,120.00			75,634.00	(125,953.30)			(50,319.30)		
Total Title I, Part A Cluster				(17,731.00)		93,365.00	(125,953.30)			(50,319.30)		
NCLB - Title II, Part A												
NCLB - Title II, Part A	84.367A	9/1/11-8/31/12	75,609.00	(21,924.93)	0.06	28,966.00	(7,041.13)					
NCLB - Title II, Part A	84.367A	9/1/12-8/31/13	73,164.00		(0.06)	37,799.00	(73,164.00)			(35,365.06)		
NCLB - Title II Part D		9/1/12-8/31/13	151.00			151.00	(151.00)					
NCLB - Title III, Immigrant	84.264	9/1/12-8/31/13	9,410.26		0.26	3,236.00	(5,920.50)			(2,684.24)		
NCLB - Title III, Immigrant	84.264	9/1/11-8/31/12	5,169.20	(1,796.74)	(0.26)	1,797.00						
Learn & Serve America	94.004	9/1/02-8/31/03		(1,245.00)						(1,245.00)		
Race to the Top Cluster:												
Race to the Top, Phase 3 ARRA	84.413A	9/1/11-11/30/15	6,389.00			3,850.00	(3,850.14)			(0.14)		
EE4NJ Pilot Teacher Effectiveness Cohort 2A - IDEA	84.027a	7/15/12-9/30/13	16,802.00			14,973.00	(15,678.00)			(705.00)		
EE4NJ Pilot Teacher Effectiveness Cohort 2A - Race to the Top - ARRA	84.413A	7/15/12-9/30/13	97,498.00			86,882.00	(90,977.00)			(4,095.00)		
Total Race to the Top Cluster						105,705.00	(110,505.14)			(4,800.14)		
U.S. Department of Health and Human Services:												
Passed-through N.J. Council on Developmental Disabilities:												
Developmental Disabilities Basic Support and Advocacy Grant	93.630	7/1/10-6/30/12	1,000.00	251.00			(251.00)					
Total Special Revenue Fund				(186,841.73)		975,393.00	(1,229,585.68)			(441,034.41)		
Subtotal Department of Education Pass-through				(186,841.73)		975,393.00	(1,229,585.68)			(441,034.41)		

CRANFORD PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL C.F.D.A NO.	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2012	ADJUST - MENTS	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAY. PR. YRS. BALANCES	BALANCE AT JUNE 30, 2013			
									ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR	
U.S. Department of Agriculture:												
Passed-through State Department of Education:												
Enterprise Fund:												
Child Nutrition Cluster												
U.S.D.A. Commodities Program	10.550	7/1/12-6/30/13	23,061.41									
National School Lunch Program	10.555	7/1/11-6/30/12	81,857.77	(15,821.48)	15,821.48							
National School Lunch Program	10.555	7/1/12-6/30/13	83,414.25			65,909.93	(83,414.25)			(17,504.32)		
Total Child Nutrition Cluster				(15,821.48)	15,821.48	88,971.34	(106,475.66)			(17,504.32)		
Total Enterprise Fund				(15,821.48)	15,821.48	88,971.34	(106,475.66)			(17,504.32)		
Total Department of Agriculture Pass-through State Department of Education				(15,821.48)	47,464.44	88,971.34	(106,475.66)			(17,504.32)		
Total Federal Financial Assistance				\$ (202,663.21)	\$ 47,464.44	\$ 1,064,364.34	\$ (1,336,061.34)	\$	\$ (458,538.73)	\$	\$	\$

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.  
N/A - Not available/applicable.

CRANFORD PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NO.	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2012			CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAY. PR. YRS. BALANCES	BALANCE AT JUNE 30, 2013		MEMO	
				DEFERRED REVENUE/ (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR					DEFERRED REVENUE/ (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:													
General Fund:													
Special Education Categorical Aid	495-034-5120-089	7/1/11-6/30/12	\$ 1,790,782.00	\$ 519,473.00	\$	\$	\$ (519,473.00)	\$	\$	\$	\$	\$	\$ (519,473.00)
Special Education Categorical Aid	495-034-5120-089	7/1/12-6/30/13	2,003,509.00			2,003,509.00	(2,003,509.00)					(193,031.60)	(2,003,509.00)
Extraordinary Aid	495-034-5120-473	7/1/12-6/30/13	665,103.00				(665,103.00)			(665,103.00)		(665,103.00)	(665,103.00)
Categorical Transportation Aid	495-034-5120-014	7/1/12-6/30/13	72,611.00				(72,611.00)					(6,995.82)	(72,611.00)
Equalization Aid	495-045-5120-085	7/1/12-6/30/13	103,805.00				(103,805.00)					(10,001.28)	(103,805.00)
Categorical Security Aid	495-034-5120-084	7/1/12-6/30/13	55,760.00				(55,760.00)					(5,372.30)	(55,760.00)
Nonpublic Transportation Cost Reimb.	495-034-5120-014	7/1/11-6/30/12	19,154.00	(19,154.00)		19,154.00							
Nonpublic Transportation Cost Reimb.	495-034-5120-014	7/1/12-6/30/13	17,662.80				(17,662.80)			(17,662.80)			(17,662.80)
On Behalf TPAF Pension Contributions	495-034-5095-006	7/1/12-6/30/13	1,733,733.00			1,733,733.00	(1,733,733.00)						(1,733,733.00)
On Behalf Post Ret. Medical Contr.	495-034-5095-006	7/1/12-6/30/13	1,960,413.00			1,960,413.00	(1,960,413.00)						(1,960,413.00)
Reimb. T.P.A.F. Social Security Contrib.	495-034-5095-002	7/1/12-6/30/13	2,053,296.40			1,946,306.19	(2,053,296.40)			(106,990.21)			(2,053,296.40)
<b>Total General Fund</b>				<b>500,319.00</b>		<b>7,895,291.19</b>	<b>(9,185,366.20)</b>			<b>(789,756.01)</b>		<b>(880,504.00)</b>	<b>(9,185,366.20)</b>
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Textbook Aid	100-034-5120-064	7/1/11-6/30/12	16,962.00		1,526.45								
Textbook Aid	100-034-5120-064	7/1/12-6/30/13	19,445.00			19,445.00	(17,067.00)				2,378.00		
Auxiliary Services:													
Compensatory Education	100-034-5120-067	7/1/11-6/30/12	46,493.00		2,536.00								
Compensatory Education	100-034-5120-067	7/1/12-6/30/13	52,673.00			52,673.00	(27,591.00)			(2,536.00)			
English as a Second Language	100-034-5120-067	7/1/12-6/30/13	2,558.00			2,558.00					25,082.00		(27,591.00)
Transportation	100-034-5120-067	7/1/12-6/30/13	6,013.00			6,013.00	(6,013.00)				2,558.00		
Handicapped Services:													
Supplemental Instruction	100-034-5120-066	7/1/11-6/30/12	9,120.00		702.00					(702.00)			
Supplemental Instruction	100-034-5120-066	7/1/12-6/30/13	9,020.00			9,020.00	(4,163.00)				4,857.00		(4,163.00)
Examination & Classification	100-034-5120-066	7/1/11-6/30/12	22,698.00		645.00					(645.00)			
Examination & Classification	100-034-5120-066	7/1/12-6/30/13	17,192.00			17,192.00	(4,300.00)				12,892.00		(4,300.00)
Corrective Speech	100-034-5120-066	7/1/11-6/30/12	22,906.00		1,990.00					(1,990.00)			
Corrective Speech	100-034-5120-066	7/1/12-6/30/13	22,655.00			22,655.00	(18,939.00)				3,716.00		(18,939.00)
Technology Initiative	100-034-5120-373	7/1/12-6/30/13	7,177.00			7,177.00	(6,271.30)				905.70		(6,271.30)
Nursing Services	100-034-5120-070	7/1/12-6/30/13	26,989.00			26,989.00	(23,151.32)				3,837.68		(23,151.32)
<b>Total Special Revenue Fund</b>					<b>7,399.45</b>	<b>163,722.00</b>	<b>(107,495.62)</b>			<b>(7,399.45)</b>		<b>56,226.38</b>	<b>(107,495.62)</b>
Capital Projects Fund:													
Additional State School Building Aid:													
SDA Grants - 2002	Various	Indefinite	2,099,527.00	(482,457.42)		471,035.99				(11,421.43)			
SDA Grants - 2009	Various	Indefinite	7,992,506.00	(5,002,825.68)			(135,060.18)			(5,137,885.86)			(135,060.18)
<b>Total Capital Projects Fund</b>				<b>(5,485,283.10)</b>		<b>471,035.99</b>	<b>(135,060.18)</b>			<b>(5,149,307.29)</b>			<b>(135,060.18)</b>
State Department of Agriculture:													
Enterprise Fund:													
National School Lunch Prog. (State Share)	100-010-3350-023	7/1/12-6/30/13	5,848.84			4,336.98	(5,848.84)			(1,511.86)			
National School Lunch Prog. (State Share)	100-010-3350-023	7/1/11-6/30/12	6,756.42	(414.49)		414.49							(5,848.84)
National School Lunch Prog. (State Share)	100-010-3350-023	7/1/10-6/30/11	7,207.56		229.94						229.94		
<b>Total Enterprise Fund</b>				<b>(414.49)</b>	<b>229.94</b>	<b>414.49</b>				<b>(1,511.86)</b>	<b>229.94</b>		
<b>Total State Financial Assistance</b>				<b>\$ (4,985,378.59)</b>	<b>\$ 7,629.39</b>	<b>\$ 8,530,463.67</b>	<b>\$ (9,427,922.00)</b>	<b>\$ (7,399.45)</b>	<b>\$ (5,940,575.16)</b>	<b>\$ 56,456.32</b>		<b>(880,504.00)</b>	<b>(9,427,922.00)</b>
Less:													
TPAF Post Retirement Medical													
TPAF Pension Contributions													
						\$ 1,960,413.00							
						1,733,733.00							
						\$ (5,733,776.00)							

Note: See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.  
N/A - Not available/applicable.

CRANFORD SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$249,489 for the general fund and \$0.00 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 on the following page:

CRANFORD SCHOOL DISTRICT  
 NOTES TO THE SCHEDULES OF AWARDS  
 AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D.):

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$0.00	\$ 8,665,893.20	\$ 8,665,893.20
Special Revenue Fund	1,229,585.68	107,495.62	1,337,081.30
Capital Projects Fund		135,060.18	135,060.18
Food Service Fund	<u>88,971.34</u>	<u>5,848.84</u>	<u>94,820.18</u>
Total Awards & Financial Assistance	<u>\$ 1,318,557.02</u>	<u>\$ 8,914,297.84</u>	<u>\$10,232,854.86</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

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

K-6

Section 1 - Summary of Auditor's Results

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

1) Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  No

Noncompliance material to basic financial statements noted? \_\_\_\_\_ Yes  X  No

**Federal Awards**

Internal Control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  No

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Race to the Top Cluster:</u>
<u>84.027</u>	<u>EE4NJ Pilot Teacher Effectiveness</u>
<u>84.413</u>	<u>Race to the Top ARRA</u>
	<u>Title I Cluster:</u>
<u>84.010</u>	<u>Title I Part A</u>
	<u>Special Education Cluster:</u>
<u>84.027</u>	<u>IDEA Part B Basic Regular</u>
<u>84.173</u>	<u>IDEA Part B Preschool</u>

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

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No



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

NONE