

SCHOOL DISTRICT
OF
TOWNSHIP
OF
EGG HARBOR

Egg Harbor Township Board of Education
Egg Harbor Township, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Comprehensive Annual Financial Report

of the

Township of Egg Harbor Board of Education

Township of Egg Harbor, New Jersey

For the Fiscal Year Ended June 30, 2009

Prepared by

Township of Egg Harbor Board of Education

Business Administration

TABLE OF CONTENTS

INTRODUCTORY SECTION		Page
	Letter of Transmittal	1-14
	Organizational Chart	15
	Roster of Officials	16
	Consultants and Advisors	17-18
FINANCIAL SECTION		
	Independent Auditor's Report	19-20
	Required Supplementary Information - Part Management's Discussion and Analysis	21-31
	Basic Financial Statements	
A	District-wide Financial Statements:	
	A-1 Statement of Net Assets	32
	A-2 Statement of Activities	33
B	Fund Financial Statement	
	Governmental Funds:	
	B-1 Balance Sheet	34
	B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	35
	B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	36
	Proprietary Funds:	
	B-4 Statement of Net Assets	37
	B-5 Statement of Revenues, Expenses, and Changes in Net Assets	38
	B-6 Statement of Cash Flows	39
	Fiduciary Funds:	
	B-7 Statement of Fiduciary Net Assets	40
	B-8 Statement of Changes in Fiduciary Net Assets	41
	Notes to the Financial Statements	42-65

TABLE OF CONTENTS (continued)

	Page
Required Supplemental Information - Part I	
C Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	66-77
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	N/A
C-2 Budgetary Comparison Schedule - General Fund	78-79
Notes to the Required Supplementary Information	
C-3 Budget-to-GAAP Reconciliation	80
Other Supplementary Information	
D Abbott Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
D-4 Schedule of DEOA Expenditures	N/A
E Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures Special Revenue Fund - Budgetary Basis	81-85
E-2 Preschool Education aid Schedule of Expenditures - Budgetary Basis	N/A
F Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	86
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis (by project)	87
F-2a -	
F-2n Schedules of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis	88-101
G Proprietary Funds	
Enterprise Fund:	
G-1 Combining Statement of Net Assets	102
G-2 Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	103-104
G-3 Combining Statement of Cash Flows	105

TABLE OF CONTENTS (continued)

		Page
	Internal Service Fund:	
	G-4 Combining Statement of Net Assets	N/A
	G-5 Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	N/A
	G-6 Combining Statement of Cash Flows	N/A
H	Fiduciary Funds:	
	H-1 Combining Statement of Fiduciary Net Assets	106
	H-2 Combining Statement of Changes in Fiduciary Net Assets	N/A
	H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	107
	H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	108-109
I	Long-Term Debt:	
	I-1 Schedule of Serial Bonds	110-112
	I-2 Schedule of Obligations under Capital Leases	113
	I-3 Debt Service Fund Budgetary Comparison Schedule	114
 STATISTICAL SECTION (Unaudited) 		
Introduction to the Statistical Section		
Financial Trends		
	J-1 Net Assets by Component	115
	J-2 Changes in Net Assets	116-118
	J-3 Fund Balances - Governmental Funds	119
	J-4 Changes in Fund Balances - Governmental Funds	120-121
	J-5 General Fund Other Local Revenue by Source	122
Revenue Capacity		
	J-6 Assess Value and Estimated Actual Value of Taxable Property	123
	J-7 Direct and Overlapping Property Tax Rates	124
	J-8 Principal Property Taxpayers	125
	J-9 Property Tax Levies and Collections	126
Debt Capacity		
	J-10 Ratios of Outstanding Debt by Type	127
	J-11 Ratios of General Bonded Debt Outstanding	128
	J-12 Direct and Overlapping Governmental Activities Debt	129
	J-13 Legal Debt Margin Information	130

TABLE OF CONTENTS (continued)

Page

STATISTICAL SECTION (Unaudited) - continued

Demographic and Economic Information

J-14 Demographic and Economic Statistics	131
J-15 Principal Employers	132

Operating Information

J-16 Full-time Equivalent District Employees by Function/Program	133
J-17 Operating Statistics	134
J-18 School Building Information	135-136
J-19 Schedule of Required Maintenance Expenditures by School Facility	137
J-20 Insurance Schedule	138-139

SINGLE AUDIT SECTION

K-1 Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Audit Standards	140-141
K-2 Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04	142-144
K-3 Schedule of Expenditures of Federal Awards, Schedule A	145
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	146
K-5 Notes to the Schedules of Awards and Financial Assistance	147-149
K-6 Schedule of Findings and Question Costs Part I - Summary of Auditor's Results	150-151
Part 2 - Schedule of Financial Statement Findings	152
Part 3 - Schedule of State Award Findings and Questioned Costs	152
K-7 Summary Schedule of Prior Audit Findings	152

Introductory Section

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November 2, 2009

Honorable President and
Members of the Board of Education
Township of Egg Harbor School District
Atlantic County, NJ

Dear Board Members:

The comprehensive annual financial report of the Township of Egg Harbor School District (District) for the fiscal year ended June 30, 2009 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 operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, 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 Amendment of 1996 and the US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** The Township of Egg Harbor School District is an independent reporting entity as set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The Township of Egg Harbor Board of Education and all its schools constitute the District's reporting entity.

For the 2008/2009 school year, the District's schools were organized as follows:

H. R. Swift School – This school houses a portion of the pre-kindergarten and the kindergarten through third grade classes. The pre-kindergarten classes are for handicapped children and are subsidized through a Federal Grant. Centralized registration offices, the Kids Klub (latchkey) coordinator and a child study team are located here in modular buildings.

E. H. Slaybaugh School Complex – There is a primary school building and elementary school building housed on this campus. The primary school houses a portion of the District's pre-kindergarten and kindergarten through first grade classes. The elementary school houses a portion of the District's second and third grade classes.

C. J. Davenport School Complex – There is a primary school building and elementary school building housed on this campus. The primary school houses a portion of the District's pre-kindergarten and kindergarten through first grade classes. The elementary school houses a portion of the District's second and third grade classes, as well as the elementary autistic special education program.

Dr. Joyanne D. Miller School – This school houses the District's entire fourth and fifth grade population.

Alder Avenue Middle School – (formerly the Intermediate School) This school houses a portion of the District's sixth through eighth grade classes. There are four modular buildings at this location, containing eight classrooms. The Board of Education public meeting room is also at this location.

Fernwood Avenue Middle School – The District's remaining sixth, seventh and eighth grade classes are housed in this school. There are five modular buildings at this location, containing ten classrooms.

EHT High School – The ninth, tenth, eleventh and twelfth grade classes are housed in this school. The Arthur O. Marinelli Athletic Field House is on this site also. This structure contains locker rooms for home and away teams, athletic trainer treatment room, boys' and girls' coaches' offices, a concession stand and public rest rooms for sporting events. There are ten modular buildings at this location, containing twenty classrooms.

Eagle Academy – This school is an alternative school for grades 7-12. The District is leasing this building from the Township of Egg Harbor.

In addition to the basic elementary curriculum emphasizing language arts and mathematics, each of the District's schools provides:

- Remedial instruction
- Resource room instruction for classifiable learning disabilities
- Speech and language development services
- Occupational and physical therapy services
- Enrichment classes
- Computer instruction
- Art and music instruction
- Library programs
- Health and physical education

- Guidance and child study team services
- Full time nurses
- Before and after school child care

The District provides a full range of educational services appropriate to grade levels K through twelve. These include regular, vocational, as well as special education for handicapped children. The District completed the 2008-2009 fiscal year with an enrollment of 7,978 students. The average daily enrollment for 2008-2009 was 7,633 students, which is 54 students above the previous year's average daily enrollment. The District's student mobility rate is approximately 25%. The following details the changes in the student enrollment in the District over the last nine years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2008/2009	7,633	0.71%
2007/2008	7,579	1.17%
2006/2007	7,491	2.80%
2005/2006	7,287	3.70%
2004/2005	7,027	4.28%
2003/2004	6,742	5.31%
2002/2003	6,402	7.51%
2001/2002	5,955	5.38%
2000/2001	5,651	7.68%

2) **ECONOMIC CONDITION AND OUTLOOK:** The severe economic down-turn has continued to have an impact on our school district. The explosive growth in residential real estate development has seen a marked decrease and the area's economic engine, the Atlantic City Casino Industry, has not been immune to the recession. This slow-down presents both opportunities and challenges for the district. The decrease in the rate of growth allows time to assess our long-term growth projections against actual figures and to adjust future initiatives accordingly. As a designated growth zone of the State of New Jersey's Pinelands region, the challenge will be to continue to manage growth as the economy rebounds.

3) **MAJOR INITIATIVES:** During the 2008-2009 school year, the Egg Harbor Township School District continued with its renovations and expansions to our facilities to address the population boom over the past several years. In addition to expansion and renovations to the High School and the athletic complex, we have also replaced aged and inefficient hot water heaters, boilers and chillers. We have included indoor air quality units in every school except for the two primary schools, and added comprehensive security camera systems throughout the district. Lastly, we have replaced roofs and are adding solar panels systems to save energy at virtually all of our schools.

Educationally, we continued to expand and revise our curriculum focusing on the Science, Technology and Library/Media Departments. We have continued our school reform initiatives K-12 including our 9th Grade Initiative, Professional Learning Communities, Differentiated Instruction and elements of Response to Intervention. We have piloted, selected and implemented new text books including online access in both Mathematics and Language Arts Literacy. We have selected a new student information

system, implemented a standard grading program, and a parent portal will be activated in the 2009-10 school year.

Our professional development opportunities/activities include:

1. Continue and sustain K-12 Mathematics Curriculum Committees – aligning curriculum to the NJCCC standards, creating pacing guides and assessment tools to create learning experiences that allow students to integrate knowledge, skills, and methods of inquiry in the mathematics area.
2. Continue and sustain K-12 Language Arts Literacy Curriculum Committees – aligning curriculum to the NJCCC standards, creating pacing guides and assessment tools to create learning experiences that allow students to integrate knowledge, skills, and methods of inquiry in the area of Language Arts Literacy.
3. Continue and sustain K-12 Science Curriculum Committees – aligning curriculum to the NJCCC standards, creating pacing guides and assessment tools to create learning experiences that allow students to integrate knowledge, skills, and methods of inquiry in the scientific area.
4. Continue and sustain action research and implementation of curriculum compacting and differentiated instruction through committee work, shared sessions, and job embedded activities.
5. Continue and sustain professional learning communities through team, department, and grade level meetings regarding each buildings' needs and concerns.
6. Continue the training of teacher mentors as per our district mentoring plan as well as to provide opportunities for mentors and novice teachers to collaborate.
7. Continue and sustain training on CPI Model.
8. Continue offering the ETTC Technology classes, state college graduate courses on site, on line graduate courses, and two (2) out-of-district professional days.
9. Continue offering Character Education workshops to both students and parents.
10. Continue training for teachers to meet the needs of the special education student in the mainstream setting.
11. Implement training opportunities in the area of Conflict Resolution (Grades 6-12).
12. Implement training opportunities in the area of Classroom Management (Grades K-5).
13. Continue and expand the Novice Teacher Institute

No Child Left Behind
FY 2009
2008-2009
Title I, II, III, IV, V, CSR
Grant Implementation

An NCLB program management team facilitated the grant application development as well as program articulation, implementation, and supervision under Title I, II, IV, V and Class Size Reduction. Student achievement goals focused on the improvement of learning for the identified at-risk population in the areas of reading, math, and the integration of technology.

Pro-active academic and professional initiatives were implemented including:

1. An academic summer 2009 program for 175 identified Title 1 students grades K through 5;
2. An after school program (08-09) for Miller School Title 1 students to enhance academic achievement.
3. ELL high school curriculum was revised to parallel the ELL curriculum with the standard English classes and with WIDA standards.
4. Title I parent coordinators were again hired at Davenport and Miller to educate parents concerning their teaching skills to enhance their child's achievement.
5. Improvement of the EHT NCLB website to increase parent, teacher, student and administrator knowledge of NCLB. The LAL 08-09 Pacing Guides were added and other academic websites were added to increase parent participation and knowledge of NCLB as well as various resources. As of September 2009, this website has been utilized much more than anticipated and currently has over 150,000 "hits" since January 2004!
6. Math pacing guides for grades K through 8 for the newly purchased math series were revised and aligned with NJCCS in light of the state test dates.
7. LAL pacing guides were developed for the newly purchased LAL series. This gave K to 8 staff a head start in implementing the new math series, which started in September 2008.
8. For the fifth year, EHT teachers have attended the EHT NCLB Summer Institute. During the summer 2009, this Institute focused on Differentiated Instruction at the grade 6 to 9 level.

Program objectives were consistent with Egg Harbor Township district goals established by the Board of Education and the new QSAC regulations. The educational needs of the Non-Public schools, i.e. Trocki Hebrew Academy, Atlantic Christian and English Creek Academy, were also met via consultation with the non-public officials.

English Language Learners: Egg Harbor Township submitted its 2008-2011 Three Year Program Plan, which was approved by NJDOE. We are in the fourth year of developing cycle three for coursework with ELL high school students. This is designed to help ELL students meet required HSPA standards as well as the revised WIDA standards which are assessed by the ACCESS testing, additional state testing for ELL students.

In July 2009, the Commissioner of Education adopted increased standards for the NJ ASK tests grades 3 through 4. The NJDOE has not established AYP standards for testing for these grade levels that occurred in the Spring 2009. Therefore, the AYP status of the schools containing grades K to 5 is unknown at this time.

The following is the status of the grade 6 to 12 schools based on Spring 2009 state testing:

1. Alder Middle School – Met 39 of 41 indicators. During 09-10, it has Year 2 status.
2. Fernwood Middle School – Met 39 of 41 indicators. During 09-10, it has Year 2 status.
3. EHTHS – Met 36 of 41 indicators. During 09-10, it has Year 5 status.

Title I programs were implemented in the Targeted Assistance Title I Schools, i.e. Davenport and Miller. Multiple assessment measures were used to determine eligibility. Central to this eligibility consideration was utilizing state administered tests results as one factor in determining eligibility for Title 1 services. Examples of other assessments used for eligibility and/or progress measurement were: McGraw Hill End of Book tests, Math End of Book tests, teacher and parent recommendations. Title 1 funds paid for 11 split funded remedial teachers. The programs were as follows:

Davenport (K-3) and Miller Schools (4-5)

Eligible students were serviced in an in-class support or pull-out structure five days a week for 30-minute sessions. Title 1 teachers reinforced the reading and math skills introduced by way of the newly created pacing guides. The new pacing guides are aligned with the NJCCS and teaching the necessary skills prior to state testing dates. An after-school program was provided for Miller Title 1 students for 08-09. A summer program was also available for Title 1 students in Davenport and Miller.

Title I parents were provided with workshops by parent coordinators (Davenport and Miller, to inform them of the Title I regulations, how to monitor their child's performance, and how to work with their child to improve achievement. At all three sites, parents were also instructed in how to use the EHT NCLB website for educational opportunities for their children.

Title IIA funds were utilized to pay for teachers to attend the NCLB Differentiated Instruction summer NCLB Institute. Additionally, funds were utilized to pay for substitutes when teachers attended professional development workshops throughout the year.

Title IV funds were utilized to pay for an after-school academic program for at risk student at the Fernwood and Alder Middle Schools. Additionally, a student based drug prevention program, called Natural Helpers, was funded to promote alternatives to drug/alcohol use for students.

Class Size Reduction funds were used to fund a portion of a teacher's salary with the allocation funding entitlement of the CSR.

Non-Public School NCLB Activities

Title IIA funds were utilized to pay for professional conferences at Trocki and Atlantic Christian Schools. Title IV funds were utilized to provide a drug/alcohol prevention consultant and to purchase conflict resolution programs.

Individuals with Disabilities Education Act (IDEIA)
FY 2009
2008-2009
Grant Implementation

IDEIA funds provided summer school (summer 2009) programs for pre-school disabled students. This included teachers, aides and a school nurse for the program.

IDEIA funds paid for over \$1,000,000 of out of district tuition placements for EHT disabled students from pre-school through grade 12. Such placements included Atlantic County Special Services School District and Creative Achievement.

IDEIA funds provided School to Work Transition Summer Program (summer 2009) to enhance disabled student's preparation for the post-graduation working environment. This program recently received State recognition for its ability to transition disabled students to the world of work.

IDEIA funds provided for a 12 month CST secretary to address the needs of disabled students and their parents by providing timely reports and services.

IDEIA funds also provided home instruction services for disabled students. This permitted disabled students to continue to meet the goals of their IEP.

Information Technology Services

During the 2008-09 year, the Information Technology Services Department dedicated itself in the following areas:

HARDWARE: A district wide inventory of hardware with the focus of maintaining the minimum 5/1 student computer ratios across the district was performed. The current student computer ratio is 2.98 students for each computer. Repairs tickets documented in the IT Direct application total 4035.

Significant changes were made to the network including the addition of the:

Radware (Link Proof 100)

LinkProof is an on demand solution that lets you add, manage and load-balance multiple ISP connections in response to growing bandwidth needs.

Radware Defense Pro

Protects against DDoS (Distributed Denial of Service) attacks. Generated by 'Botnets', DDoS attacks either flood victim sites with high packet-per-second (PPS) traffic, or trick the application services into generating high volume invalid transactions. The result is service slowdown at best to complete shutdown in a worst case scenario.

Radware AppDirector

Serves to optimize server utilization and application performance by using advanced layer 4-7 policies and granular application intelligence to eliminate traffic surges, server bottlenecks, connectivity disconnects, and downtime.

AV 810 Bluecoat

This appliance detects and blocks malware, worms, trojans and spyware, including spyware that targets HTTP, FTP and HTTPS protocols, secures rogue channels that threaten the enterprise network.

75000 Packet Shaper

Packet shaper is set up to monitor all in/out going Internet traffic allowing us to identify all the applications on the network and monitor response times and utilization at the application level. In addition, we can optimize application performance by using granular quality of service (QoS) controls to regulate traffic and increase WAN capacity through application-specific compression techniques.

COMMUNICATIONS: District bandwidth was upgraded to 20 Megs with Comcast in an effort to support curriculum based on-line applications. The Fernwood Avenue Middle School had to replace the Avaya Prologix phone system as a result of the expansion that included the addition of phones in all of the classrooms. The system was replaced with an Avaya gateway that is now part of the High School phone system.

CONSTRUCTION: Ongoing and extensive contact, planning and coordination has occurred in the various locations that are under construction within our district including the High School expansion, marquee sign at the high school location, the rooftop solar, and security camera projects. Heavy involvement has taken place to resolve technology related issues that arise within these projects and to assist with problem resolution that have been recognized at the Slaybaugh and Davenport Primary buildings.

ETTC: The district regularly conducts building level and district level technology training and coordination with the assistance of Joetta Surace and the cooperation from the Southern New Jersey Regional ETTC Training Center. Our district hosts and facilitates any requests from the ETTC in order to have our faculty and staff be able to participate in technology training within our own district facilities. During the 2008-2009 school year, the district utilized approximately 702 hours.

EHT TV2: The community/district broadcast channel, EHT TV2 has expanded their productions to over 378 during the 2008-2009 school year. The quality of the productions is improving as students demonstrate their talents in this area. Examples of the EHT TV productions are 171 internal High School projects, 150 district projects from a combination of district schools, 3 projects for the municipality including the Mayor's Forum, 21 EHT Township Committee Meetings. The department installed a new Telvue Video Message Board System and all new digital video servers for video programming. This also includes PEGTV video archives for distribution on the internet, live internet distribution of the EHTTV2 video channels and other emergency management features through the new interface.

DISTANCE LEARNING: There were 32 Distance Learning sessions held at the High School including the Career Speaker Series, as well as topics including the Holocaust, Colonial America, Science in Cinema, Historic Cold Spring Village, Camden's Children's Garden, Cape May County Zoo, "Lest We Forget: Vietnam War Vets."

SECURITY: As a result of a partnership with the Egg Harbor Township Police Department, the district has dedicated itself to the concept of a safer educational environment. The start of the expansion of the security camera system has been implemented to include all schools. The security access panels have been upgraded at all locations to allow for standard protocols.

NJSMART (NJ Standards Measurement and Resource for Teaching (NJ SMART): Each student enrolled in a New Jersey School must have a valid State Identification Number. This number allows the State to track the student's school enrollment and demographic information. This number is also being requested on state tests that are being administered in various grade levels. To do this the State has two portals for schools to use. One is the SID Management portal which allows school districts to manage the student's enrollment. As new students enter the districts the district submits the student demographic information along with the student identification number if known. The student is then checked against the State database and if the student has not been released from their previous district, the student is placed in a conflict status which must be resolved by both districts. It is important that all Student mobility is reported to the State as soon as possible to avoid the conflict issues. The purpose of SID management is to make sure the student's ownership is with the correct district. This portal closes before each mandatory State Submission Report. The second portal is the State Submission portal. School Districts are required to do three submissions each year. One is as of October 15th. In this submission, all active students and their demographic and enrollment information is submitted. All conflicts from the SID Management must be resolved before this submission in order for a district to be able to claim the student. Any student not resolved will not be counted. There is a Special Education submission that must be collected as of October 15th which replaces the ADR report that was previously reported on December 1st. This report is only for Special Education students that again are active in the district and are active according to SID Management. Any student not cleared of conflicts from SID Management cannot be claimed. This report also generates federal special education funding for each district, making it important that each student be claimed. On June 30th there is another State Submission that includes all students on roll as of the last day of school. Again only students that have been managed through the SID Management portal can be claimed on this submission. Each year the state has added and eliminated information that needs to be submitted. We closely monitor NJ Smart to make sure we will be able to collect and report the data that they request. Each school does data checking for accuracy. Although there are only 3 submissions a year, the SID Management is ongoing throughout the year and the amount of mobility that EHT experiences makes NJ Smart a high priority for the ITS Department and the district.

STUDENT INFORMATION SYSTEM: Responding to the increased demands from the new Jersey Department of Education for NJ SMART reporting, as well as the district's need for a comprehensive data warehouse, student level data reporting, and unique statewide student identification (SID) system, coupled with the extensive growth of the Egg Harbor Township School District, funding was allocated for a new student information system. A [committee](#) was formed consisting of representatives from each building as well as key administrative and technical representatives to formulate an **RFP**. **Six** vendors returned completed RFP's. After **evaluating** all six proposals, the top **three** vendors were asked to present to the SIS Selection Committee on August 8, 2008 an overview of their product. Infinite Campus received the highest score from the committee. On September 23, 2008, Infinite Campus presented to the Board of Education, their product and at that time a recommendation was made to award the RFP contract to Infinite Campus. Once the award was finalized, the conversion process commenced with the anticipated "go live" date of February 17, 2009. Since then, the district has been utilizing the new student information system. Prior to the activation of the database, 32 days of training took place at the High School. Building Coaches, Teacher Coaches, Administrators, as well as staff at all levels were trained extensively employing the turn-key training model.

Testing

The following tables reflect our district's student assessment results for the 2008-2009 school year (AYP results have not yet been provided by the Department of Education):

NEW JERSEY ASSESSMENT OF SKILLS AND KNOWLEDGE (NJASK3)
3TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	25%	48.7%	26.4%
Language Arts Literacy	39%	57.3%	3.7%

NEW JERSEY ASSESSMENT OF SKILLS AND KNOWLEDGE (NJASK4)
4TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	34.1%	46.3%	19.6%
Language Arts Literacy	39.7%	56.7%	3.6%
Science	9.1%	47.4%	43.6%

NEW JERSEY ASSESSMENT OF SKILLS AND KNOWLEDGE (NJASK5)
5TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	29.5%	48.3%	22.2%
Language Arts Literacy	35.6%	59%	5.4%

NEW JERSEY ASSESSMENT OF SKILLS AND KNOWLEDGE (NJASK6)
6TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	34.9%	43.9%	21.2%
Language Arts Literacy	31.8%	63.9%	4.5%

NEW JERSEY ASSESSMENT OF SKILLS AND KNOWLEDGE (NJASK7)
7TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	35.7%	45%	19.3%
Language Arts Literacy	35.7%	55.1%	9.2%

GRADE EIGHT PROFICIENCY ASSESSMENT (GEPA)
8TH Grade
TOTAL STUDENTS

	Partially Proficient	Proficient	Advanced Proficient
Math	31.5%	44%	24.6%
Language Arts Literacy	20.2%	73%	6.9%
Science	17%	58%	25.1%

HIGH SCHOOL PROFICIENCY TEST (HSPT)
11TH Grade
TOTAL STUDENTS

Content	Partially Proficient	Proficient	Advanced Proficient
Math	25.5%	58.9%	15.6%
Language Arts Literacy	17.2%	74.3%	8.5%

SCHOLASTIC APTITUDE TEST RESULTS

Year	Students	Verbal	Math	Composite/ *Critical Reading
1998-1999	182	500	521	1021
1999-2000	192	483	502	998
2000-2001	167	501	510	1001
2001-2002	221	497	511	1008
2002-2003	205	485	503	988
2003-2004	229	500	514	1005
2004-2005	228	507	510	1017
2005-2006	275	478	493	971
2006-2007	314	477	486	963
2007-2008	295	481	503	486
2008-2009	328	477 (Reading)	498	470 (Writing)

**2007-2008 SCHOLASTIC APTITUDE TEST
EHTHS COMPARISONS
WITH NJ AND NATIONAL SCORES**

	TEST-TAKERS	VERBAL	MATH	CRITICAL READING
EHTHS	328	470	498	477
NEW JERSEY		496	513	496
NATIONAL		493	515	501

2008 GRADUATES CONTINUING EDUCATION

Year	Four-Year School	Two-Year School	Voc/Tech School	Military	Work
2000	45%	32%	5%		
2001	35%	36%	4%		
2002	42%	34%	5%		
2003	36%	36%	4%		
2004	42.3%	35.4%	5.3%		
2005	39%	39%	26%		
2006	43%	41%	5%		
2007	40%	43%	5%		
2008	41%	45%	5%	2%	7%
2009	43%	42%	4%	4%	7%

- 4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining internal controls 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 principals (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 control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure including that portion related to federal 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 accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2009.

- 6) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.
- 7) **DEBT ADMINISTRATION:** At June 30, 2009, the District's outstanding debt issues included \$73,535,000 in refunding bonds and \$38,344,000 in general obligation bonds. The proceeds of these bond issues were to provide funds for capital improvement to the District's buildings. These improvements include repairs and renovations to the High School, Davenport, Slaybaugh and Swift elementary schools, additions to the High School and Swift elementary school, and the construction of a 2 new elementary schools as well as another addition to the High School.
- 8) **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 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. 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.

- 9) **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. The Board of Education is retaining risk for worker's compensation that is carried over from 2000 when the Board was self-insured. All new claims are covered by traditional insurance through a Joint Insurance Fund.

10) **OTHER INFORMATION**:

Independent Audit – State statutes require an annual audit by independent certified public accounts or registered municipal accounts. The accounting firm of Swartz & Co., LLC, CPAs was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

Scott McCartney, Ed. D.
Superintendent

Kateryna W. Bechtel, CPA
School Business Administrator/
Board Secretary

TOWNSHIP OF EGG HARBOR BOARD OF EDUCATION

TOWNSHIP OF EGG HARBOR, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2009

<u>Members of the Board of Education</u>	<u>Term Expires</u>
James W. Galvin, President	2010
Neil Anderson, Vice President	2012
Pete Castellano	2011
John "Jack" Haines	2012
Frank J. Kearns	2010
Brian J. Murphy	2012
Theodore Pugliese	2011
Mary Anne Spiker	2011
Barbara A. Szilagyi	2010
<u>Other Officials</u>	
Scott McCartney, Ed. D., Superintendent	
Kateryna W. Bechtel, CPA, Board Secretary/Business Administrator	
Douglas Heun, CPA, Treasurer	
William Donio, Esq., Solicitor	

**TOWNSHIP OF EGG HARBOR BOARD OF EDUCATION
Consultants and Advisors**

Architect

The Design Collaborative
414 Garden State Parkway
Suite 100
Cape May Court House, NJ 08210

Audit Firm

Swartz & Co., LLC
Certified Public Accountants
1409 Cantillon Blvd.
PO Box 548
Mays Landing, NJ 08330

Attorney

Cooper Levenson April Neidleman Wagenheim
1125 Atlantic Avenue
Atlantic City, NJ 08401

Financial Advisor

Acacia Financial Group, Inc.
305 Fellowship Road, Suite 105
Mt. Laurel, NJ 08054

**TOWNSHIP OF EGG HARBOR BOARD OF EDUCATION
Consultants and Advisors
(continued)**

Engineer

Polistina & Associates
6684 Washington Avenue
Egg Harbor Township, NJ 08234

Bond Counsel

McManimon & Scotland, LLC
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Official Depository

Ocean City Home Bank
1184 Ocean Heights Avenue
Egg Harbor Township, NJ 08234

Financial Section

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
Township of Egg Harbor School District
County of Atlantic, New Jersey

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 Township of Egg Harbor School District in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2009, which collectively comprise the Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Egg Harbor Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Township of Egg Harbor Board of Education, in the County of Atlantic, State of New Jersey, as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2009 on our consideration of the Township of Egg Harbor Board of Education's

internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Egg Harbor Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information, such as, the combining and individual fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedules of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the basic financial statements of the Township of Egg Harbor Board of Education. The combining and individual fund financial statements, Schedule of Expenditures of Federal Awards and State Financial Assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Robert E. Swartz, CPA

Licensed Public School Accountant
No. CS00667

Swartz & Co., LLC

Swartz & Co., LLC
Certified Public Accountants

November 2, 2009

Required Supplementary Information
Part I

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Township of Egg Harbor School District ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2009. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net assets of the District decreased \$2,642,131 as a result of additional depreciation expense from the completion of the 2 primary schools as well as capital project fund costs related to the referendum projects that were authorized by the voters in 2008. In addition, the State of New Jersey deferred both June state aid payments until July 2009. In previous year's, only the final payment had been deferred. The District approved fund balance transfers from Capital Reserve in the amount of \$1,431,704 to fund additional costs related to the High School renovations.
- The State of New Jersey reimbursed the District \$3,400,644 the fiscal year ended June 30, 2009 for the employer's share of social security contributions and pension contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid \$2,724,217 on behalf of the District for TPAF Pension Contributions. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- In accordance with New Jersey State Statutes, the unreserved fund balance of the general fund is limited to the greater of 2% of the total general fund expenditures or \$250,000. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2009 the District had excess surplus of \$4,686,984, or approximately 4% of the district's general fund budget, of which \$1,618,081 will be applied to the 2009-10 budget. As of June 30, 2008 the District had excess surplus of \$4,672,521, of which \$3,054,440 was applied to the 2008-09 school budget.
- During the fiscal year ended June 30, 2009, the District's revenue realized was \$213,007 more than total expenses. These unanticipated revenues were allowed to lapse to fund balance, contributing to the increase in Excess Surplus. Total assets acquired under capital leases accounted for \$700,000 of these expenses. The capital lease proceeds are reported as an "Other Financing Source" and not as revenue. During the prior fiscal year, revenue exceeded expenditures by \$3,241,188.
- In the District's business-type activities, net assets increased \$310,501 due to a reduction in the annual operating deficit in the Food Service Program. This increase in net assets is after a \$385,033 operating transfer from the General Fund to the Food Service Fund. Without the operating transfer, the Food Service Fund operated at a deficit of \$209,679, which includes the write off of a prior year liability in the amount of \$55,419.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management’s discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District’s government, reporting on the District’s operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the District operates like businesses, such as the food service area.
 - *Fiduciary fund* statements provide information about the financial relationships – like the unemployment trust fund – in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the formation in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

The following table summarizes the major features of the District’s financial statements, including the portion of the District’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

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**Major Features of Egg Harbor Township Board of Education's
Government-wide and Fund Financial Statements**

	Government wide Statements	Fund 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 food service and student activities	Activities the District operates similar to private businesses; food service and latchkey	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required financial statements	Statement of net assets Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short- term and long- term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets 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.

Type of inflow/outflow information	All revenues and expenses during the 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 payment is due during the year or soon thereafter	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.
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Government-wide Statements

The government-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 assets includes *all* of the government’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 government-wide statements report the District’s *net assets* and how they have changed. Net assets – 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 assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the Township’s property tax base and the condition of the District’s facilities.

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District’s basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides. The District’s food service and latchkey programs are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District’s most significant *funds* – not the District as a whole. Funds are accounting devices that the

District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* – Most of the District’s basic services are included in governmental funds, which 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 government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, 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 its employees’ unemployment compensation plan. It is also responsible for other assets that - because of a trust arrangement - can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District’s fiduciary activities are reported in separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District’s government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net assets. During the 2008-2009 school year, net assets decreased by \$2,331,630. This net decrease is due to additional spending related to the ongoing capital projects approved during 2008 by referendum. The District realized \$117,355 in tuition income that was not anticipated as a result of homeless students from other districts. Interest income was higher than anticipated due to the income earned on the unspent bond sale proceeds issued to fund the 2008 referendum capital projects. Reductions in out-of-district special education tuition costs and residential costs were realized due to the continued reduction in out of district placements, using in-district special education programs servicing students with autism and with auditory impairments. This also significantly reduced the transportation costs relating to these special students. The financial condition of the District improved during the 2009 fiscal year.

The business-type activities net assets increased due to continued profits in the Latchkey program. Although there was a slight decline in revenue during the past year, expenditures remained stable. This increase also takes into consideration a \$385,033 operating transfer from the General Fund to the Food Service Fund.

	Governmental <u>Activities</u>	Business- Type <u>Activities</u>	Total <u>2009</u>	Governmental <u>Activities</u>	Business- Type <u>Activities</u>	Total <u>2008</u>
Current and other assets	\$31,893,141	759,714	32,652,855	38,802,857	670,850	39,473,707
Capital assets	184,339,108	154,785	184,493,893	156,823,136	64,568	156,887,704
Total assets	216,232,249	914,499	217,146,748	195,625,993	735,418	196,361,411
Long-term liabilities	121,303,704	230,790	121,534,494	96,701,331	292,346	96,993,677
Other liabilities	5,256,441	17,051	5,273,492	6,610,427	86,915	6,697,342
Total liabilities	126,560,145	247,841	126,807,986	103,311,758	379,261	103,691,019
Net assets						
Invested in capital assets	68,517,439	154,785	68,672,224	65,409,682	64,568	65,474,250
Restricted	39,309,721		39,309,721	34,240,661		34,240,661
Unrestricted	(18,155,056)	511,873	(17,643,183)	(7,336,108)	291,589	(7,044,519)
Total net assets	\$89,672,104	666,658	90,338,762	\$92,314,235	356,157	92,670,392

Net assets of the District decreased due to the increase in overall spending and a reduction in interest revenue.

As required by New Jersey Statutes, the unrestricted net assets of the District are not permitted to exceed the greater of 2% of total general fund expenditures or \$250,000, after reductions for On-behalf TPAF pension and social security and assets acquired under capital leases. Any excess must be appropriated as budgeted fund balance in the subsequent years' budget. As of June 30, 2009, the District had excess fund balance in the amount of \$4,686,984.

Changes in net assets. The total general fund revenue of the District decreased approximately \$101,000 due to the decrease in local tax levy and interest. These decreases were offset by the increase in state aid. The local tax levy is 55% of total revenues. The municipality levies this tax on properties located in the Township and remits the collections on a monthly basis to the District.

Approximately 33% of the District's revenue comes from the State of New Jersey in the form of non-restricted state aid. This aid is based on the District's enrollment as well as other factors. The District expenses are primarily related to instruction, administration, and plant operations.

	<u>2009</u>		<u>2008</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property taxes	\$63,917,735	55.43%	67,362,828	58.37%
Federal and State aid				
Unrestricted	37,998,580	32.95%	30,931,744	26.80%
Restricted	3,297,657	2.86%	3,152,322	2.73%
Tuition	117,355	0.10%	86,606	0.08%
Charges for Services	0	0.00%	4,205	0.00%
Operating grants and contributions	9,126,728	7.91%	11,423,527	9.90%
Other	852,116	0.75%	2,450,473	2.12%
Totals	<u>\$115,310,171</u>	<u>100.00%</u>	<u>115,411,705</u>	<u>100.00%</u>

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2009 fiscal year.

	<u>Govern- Mental Activities</u>	<u>Business- Type Activities</u>	<u>2009 Total</u>	<u>Govern- Mental Activities</u>	<u>Business- Type Activities</u>	<u>2008 Total</u>
Revenues						
Program revenue						
Charges for srvs	\$0	2,164,370	2,164,370	4,205	2,030,395	2,034,600
Federal grants	2,605,840	1,385,200	3,991,040	2,475,764	1,222,241	3,698,005
State grants and Entitlements	6,520,888	75,700	6,596,588	8,947,763	59,024	9,006,787
General revenues						
Property taxes	63,917,735		63,917,735	67,362,828		67,362,828
Tuition	117,355		117,355	86,606		86,606
State aid Entitlements	41,296,237		41,296,237	34,084,066		34,084,066
Other	852,116	7,917	860,033	2,450,473	24,918	2,475,391
Total revenues	<u>\$115,310,171</u>	<u>3,633,187</u>	<u>118,943,358</u>	<u>115,411,705</u>	<u>3,336,578</u>	<u>118,748,283</u>

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>2009 Total</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>2008 Total</u>
Expenses						
Instruction:						
Regular	\$45,612,915		45,612,915	44,610,760		44,610,760
Special Education	10,359,391		10,359,391	10,447,761		10,447,761
Other special instr.	2,845,120		2,845,120	2,022,923		2,022,923
Other Instruction	1,627,343		1,627,343	1,592,984		1,592,984
Nonpublic school programs	271,036		271,036	326,339		326,339
Support services:						
Tuition	5,339,044		5,339,044	4,617,756		4,617,756
Student & instr related services	14,216,429		14,216,429	13,284,517		13,284,517
School admin srvs General & business	4,312,650		4,312,650	4,100,130		4,100,130
admin services	4,064,643		4,064,643	3,984,247		3,984,247
Plant operations & maintenance	15,299,962		15,299,962	14,110,569		14,110,569
Pupil transport	9,113,711		9,113,711	8,821,333		8,821,333
Special schools	251,555		251,555	246,120		246,120
Interest on Long Term Debt	4,411,123		4,411,123	4,245,200		4,245,200
Business-type Activities		3,763,138	3,763,138		3,695,933	3,695,933
Total expenses	<u>117,724,922</u>	<u>3,763,138</u>	<u>121,488,060</u>	<u>112,410,639</u>	<u>3,695,933</u>	<u>116,106,572</u>
Excess/(Deficiency) Before special items						
And transfers	(2,414,751)	(129,951)	(2,544,702)	3,001,066	(359,355)	2,641,711
Special item	157,653	55,419	213,072	25,067,305		25,067,305
Transfers	(385,033)	385,033	0	(393,401)	393,401	0
Increase (Decrease) in net assets	<u>(2,642,131)</u>	<u>310,501</u>	<u>(2,331,630)</u>	<u>27,674,970</u>	<u>34,046</u>	<u>27,709,016</u>

Business-type Activities

Operating revenues of the District's business-type activities increased \$296,609 from the previous year while expenses increased by \$67,205. Factors contributing to these results included:

- Increased student enrollment and participation in the school lunch programs.
- Increased lunch revenues from a la carte sales.

- The cost of food products and related shipping costs continue to increase, while the State of New Jersey caps the school lunch rate.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year ended June 30, 2009, the governmental funds reported a combined fund balance of \$29,165,319, which is \$5,463,598 lower than the beginning of the year. The District issued school bonds in the amount of \$27,924,000 in September 2008 in order to fund the capital projects approved in the 2008 referendum.

General Fund Budgetary Highlights

As further explained in the Footnotes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the County office and, as a Type II School District, are approved by the voters annually. Transfers of appropriations may be made by Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the board and under certain circumstances require approval by the County Executive Superintendent of Schools. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf TPAF Pension Contributions, which are not budgeted, the District's actual revenue exceeded the budget by \$681,248. This is a result of refunds on prior year expenditures, additional interest earned, as well as tuition received from other school districts. Again, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions and capital leases, actual expenditures were below the budgeted appropriations by \$7,000,733. The most significant variances occurred as a result of the purchase of textbooks that were budgeted but not purchased as of year end, continued decreases in tuition costs to special services school districts and private schools for the handicapped due to administration's active efforts to bring back students placed out of district to the least restrictive learning environment, savings in energy costs, and increases in employees opting out of medical and prescription insurance, reducing the total health benefits costs. Audit Exhibit C-1 does not include current year depreciation expense.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2009, the District had invested \$184 million in a broad range of capital assets, including land, buildings, vehicles and machinery. This amount represents a net increase (including additions and deductions) of approximately \$4.5 million, or 2.50%, over last year.

	<u>Govern- Mental Activities</u>	<u>Business- Type Activities</u>	<u>2009 Total</u>	<u>Govern- Mental Activities</u>	<u>Business- Type Activities</u>	<u>2008 Total</u>
Land	1,847,000		1,847,000	1,847,000		1,847,000
Const in Progress	33,049,118		33,049,118	23,052,516		23,052,516
Buildings & Bldg improv	143,272,145		143,272,145	148,783,967		148,783,967
Machinery & equipment	1,562,350	154,785	1,717,135	1,562,726	64,568	1,627,294
Vehicles	4,608,495		4,608,495	4,629,443		4,629,443
Total	<u>184,339,108</u>	<u>154,785</u>	<u>184,493,893</u>	<u>179,875,652</u>	<u>64,568</u>	<u>179,940,220</u>

During the 2009 fiscal year the district began installing solar panels on various schools, as well as repairs and renovations to the high school. The District also incurred additional purchases for equipment, vehicles, and school buses. More detailed information about the District's capital assets is presented in Note 7 to the financial statements.

Long-term Debt

All bonds are authorized in accordance with State law by the voters of the District. At the end of the current fiscal year, the District had total bonded debt outstanding of \$111,879,000 and obligations under capital leases of \$3,942,669.

	<u>Balance 6/30/08</u>	<u>Issued</u>	<u>Retired/ Adjusted</u>	<u>Balance 6/30/09</u>
Bonds payable	87,140,000	27,924,000	3,185,000	111,879,000
Obligations under Capital leases	4,273,454	700,000	1,030,785	3,942,669
Worker's compensation Claims	16,347	2,414		18,761
Compensated absences Payable	5,508,457	406,558	276,916	5,638,099
Total	<u>96,938,258</u>	<u>29,032,972</u>	<u>4,492,701</u>	<u>121,478,529</u>

More detailed information about the District's long-term debt is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The student population in the District has doubled over the past 10 years, resulting in a significant strain on the school district and the local taxpayers. Under the school funding formula, the District will receive additional state aid in the amount of \$1,940,881 for the 2009-10 school year. However, additional aid to the District under the formula has been capped at a 5% increase. The aid calculated and uncapped should be \$62,896,769, the actual aid received is \$40,758,504. Under the school funding formula, the required local share to be raised by taxes for 2009-10 is \$48,190,196. The actual tax levy is \$63,470,098, which reflects an additional tax burden of \$15,279,902 resulting from many years of flat funding and state aid caps. The housing market and economy has slowed down the rate of student growth.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at 13 Swift Drive, Egg Harbor Township, New Jersey 08234.

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DISTRICT - WIDE FINANCIAL STATEMENTS

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Township of Egg Harbor School District
Statement of Net Assets
June 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$27,983,664	928,862	28,912,526
Receivables, net	2,697		2,697
Internal balances	481,194	(481,194)	0
Due from other governments	1,587,586	261,728	1,849,314
Inventory		50,318	50,318
Other Assets	1,838,000		1,838,000
Capital assets not being depreciated			
Construction in progress	33,049,118		33,049,118
Land	1,847,000		1,847,000
Capital assets, net	149,442,990	154,785	149,597,775
Total Assets	<u>216,232,249</u>	<u>914,499</u>	<u>217,146,748</u>
LIABILITIES			
Accounts payable	458,083	17,051	475,134
Other liabilities	2,129,665		2,129,665
Payable to state government	62,056		62,056
Deferred revenue	2,606,637		2,606,637
Noncurrent liabilities:			
Due within one year	4,647,797	55,965	4,703,762
Due beyond one year	116,655,907	174,825	116,830,732
Total liabilities	<u>126,560,145</u>	<u>247,841</u>	<u>126,807,986</u>
NET ASSETS			
Invested in capital assets, net of related debt	35,468,321	154,785	35,623,106
Restricted for:			
Debt service	8,626		8,626
Capital projects	19,235,602		19,235,602
Other purposes	20,065,493		20,065,493
Unrestricted	14,894,062	511,873	15,405,935
Total net assets	<u>\$89,672,104</u>	<u>666,658</u>	<u>90,338,762</u>

Township of Egg Harbor School District
Statement of Activities
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Indirect Expenses Allocation	Charges for Services	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
				Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental activities:									
Instruction:									
Regular	\$32,528,667	13,084,248	117,355	4,713,649		(40,781,911)		(40,781,911)	
Special education	7,360,619	2,998,772		553,414		(9,805,977)		(9,805,977)	
Other special instruction	2,017,871	827,249		152,666		(2,692,454)		(2,692,454)	
Other instruction	1,155,686	471,657		87,043		(1,540,300)		(1,540,300)	
Nonpublic school programs	271,036					(271,036)		(271,036)	
Support services:									
Tuition	3,364,205	1,974,839		364,450		(4,974,594)		(4,974,594)	
Student & instruction related services	10,418,560	3,797,869		1,403,759		(12,812,670)		(12,812,670)	
School administrative services	3,061,745	1,250,905		230,850		(4,081,800)		(4,081,800)	
General and business administrative services	2,775,962	1,288,681		237,822		(3,826,821)		(3,826,821)	
Plant operations and maintenance	10,704,263	4,595,699		848,122		(14,451,840)		(14,451,840)	
Pupil transportation	6,286,850	2,826,861		521,688		(8,592,023)		(8,592,023)	
Unallocated benefits	26,442,581	(26,442,581)				0		0	
Special schools	179,675	71,880		13,265		(238,290)		(238,290)	
Interest on long-term debt	4,411,123					(4,411,123)		(4,411,123)	
Unallocated depreciation	6,746,079	(6,746,079)				0		0	
Total governmental activities	117,724,922	0	117,355	9,126,728	0	(108,480,839)	0	(108,480,839)	
Business-type activities:									
Food Service	3,367,972		1,762,168	1,446,704		(159,100)		(159,100)	
Child Care	395,166		402,202	14,196		21,232		21,232	
Total business-type activities	3,763,138	0	2,164,370	1,460,900	0	(137,868)	(137,868)	(137,868)	
Total primary government	\$121,488,060	0	2,281,725	10,587,628	0	(108,480,839)	(137,868)	(108,618,707)	

General revenues:

Taxes:	
Property taxes, levied for general purposes, net	59,739,242
Taxes levied for debt service	4,178,493
Federal and State aid not restricted	37,998,580
Federal and State aid restricted	3,297,657
Investment Earnings	571,745
Miscellaneous Income	280,371
Special items:	
Loss on disposition of capital assets, net	(2,151)
Write off prior year liability	
Adjustment to prior year fund 20	55,419
Amortization of net premium on 2003 bond sale	13,137
Transfers	146,667
	(385,033)
	0
	7,917
	280,371
	579,662
	3,297,657
	37,998,580
	4,178,493
	59,739,242

Total general revenues, special items, extraordinary items and transfers
Change in Net Assets

Net Assets—beginning
Net Assets—ending

	105,838,708	448,369	106,287,077
	(2,642,131)	310,501	(2,331,630)
	92,314,235	356,157	92,670,392
	\$89,672,104	666,658	90,338,762

FUND FINANCIAL STATEMENTS

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**Township of Egg Harbor School District
Balance Sheet
Governmental Funds
June 30, 2009**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$8,222,364		19,752,674	8,626	27,983,664
Receivables, net	2,697				2,697
Due from other funds	2,640,069		1,170,185		3,810,254
Receivables from other governments	748,257	839,329			1,587,586
Total assets	<u>11,613,387</u>	<u>839,329</u>	<u>20,922,859</u>	<u>8,626</u>	<u>33,384,201</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	425,537	10,288	22,258		458,083
Due to other governments		62,056			62,056
Interfund payable	1,198,715	465,346	1,664,999		3,329,060
Other liabilities	68,044				68,044
Deferred revenue		301,639			301,639
Total liabilities	<u>1,692,296</u>	<u>839,329</u>	<u>1,687,257</u>	<u>0</u>	<u>4,218,882</u>
Fund Balances:					
Reserved for:					
Encumbrances	3,044,125		9,132,818		12,176,943
Current Expense Emergency Reserve	1,000,000				1,000,000
Excess Surplus	3,068,903				3,068,903
Excess Surplus - Designated for Subsequent Year's Expenditures	1,618,081				1,618,081
Capital Reserve Fund	811,021				811,021
Designated for subsequent year's expenditures	1,381,919			8,626	1,390,545
Unreserved, reported in:					
General fund	(1,002,958)				(1,002,958)
Special revenue fund					0
Debt service fund					0
Capital projects fund			10,102,784		10,102,784
Total Fund balances	<u>9,921,091</u>	<u>0</u>	<u>19,235,602</u>	<u>8,626</u>	<u>29,165,319</u>
Total liabilities and fund balances	<u>\$11,613,387</u>	<u>839,329</u>	<u>20,922,859</u>	<u>8,626</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 184,339,108

Deferred revenue from net premium on bond sale, net of amortization
11/1/02 refunding issue (439,998)
10/1/04 refunding issue (1,865,000)

Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:
12/5/06 refunding issue - bond costs 1,838,000

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.
Bond payable (111,879,000)
Capital leases (3,942,669)
Accrued interest payable (2,061,621)
Worker's compensation claims (18,761)
Compensated absences (5,463,274)

Net assets of governmental activities \$89,672,104

Township of Egg Harbor School District
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2009

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local tax levy	\$59,739,242			4,178,493	63,917,735
Tuition Charges	117,355				117,355
Interest	571,745				571,745
Miscellaneous	280,371				280,371
Local sources		121,697			121,697
State sources	44,065,287	332,484	141,953	3,155,704	47,695,428
Federal sources	58,154	2,547,686			2,605,840
Total revenues	<u>104,832,154</u>	<u>3,001,867</u>	<u>141,953</u>	<u>7,334,197</u>	<u>115,310,171</u>
EXPENDITURES					
Current:					
Regular instruction	31,585,417	1,974,035			33,559,452
Special education instruction	7,360,619				7,360,619
Other special instruction	2,017,871				2,017,871
Other instruction	1,155,686				1,155,686
Nonpublic school programs		271,036			271,036
Support services and undistributed costs:					
Tuition	3,364,205				3,364,205
Student & instruction related services	9,715,686	702,874			10,418,560
School administrative services	3,061,745				3,061,745
Other administrative services	2,775,962				2,775,962
Plant operations and maintenance	10,704,263				10,704,263
Pupil transportation	6,286,850				6,286,850
Unallocated Benefits	26,248,423				26,248,423
Special schools	179,675				179,675
Debt service:					
Principal				3,185,000	3,185,000
Interest and other charges				4,172,324	4,172,324
Capital outlay	1,189,739	25,345	9,996,602		11,211,686
Total expenditures	<u>105,646,141</u>	<u>2,973,290</u>	<u>9,996,602</u>	<u>7,357,324</u>	<u>125,973,357</u>
Excess (Deficiency) of revenues over expenditures	<u>(813,987)</u>	<u>28,577</u>	<u>(9,854,649)</u>	<u>(23,127)</u>	<u>(10,663,186)</u>
OTHER FINANCING SOURCES (USES)					
Capital leases (non-budgeted)	700,000				700,000
Adjustment to prior year fund 20	13,137				13,137
Proceeds from bond sale			27,924,000		27,924,000
Transfers in			1,431,704		1,431,704
Transfers out	(1,816,737)				(1,816,737)
Total other financing sources and uses	<u>(1,103,600)</u>	<u>0</u>	<u>29,355,704</u>	<u>0</u>	<u>28,252,104</u>
Net change in fund balances	(1,917,587)	28,577	19,501,055	(23,127)	17,588,918
Fund balance—July 1	11,838,678	(28,577)	(265,453)	31,753	11,576,401
Fund balance—June 30	<u>\$9,921,091</u>	<u>0</u>	<u>19,235,602</u>	<u>8,626</u>	<u>29,165,319</u>

**Township of Egg Harbor 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, 2009**

Total net change in fund balances - governmental funds (from B-2) \$17,588,918

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	(6,746,079)	
	Loss on disposition of fixed assets	(2,151)	
	Capital outlays	<u>11,211,686</u>	4,463,456

Repayment of long term debt 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. 4,215,785

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.

Proceeds of long-term debt - September 2008 issue		(27,924,000)	
Capital lease proceeds		(700,000)	

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. (+) (238,799)

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 (+).

Compensated absences		(191,744)	
Change in worker's compensation claims		(2,414)	
Amortization of net premium on 2003 bond issue		146,667	

Change in net assets of governmental activities (\$2,642,131)

Township of Egg Harbor School District
Statement of Net Assets
Proprietary Funds
June 30, 2009

	Business-type Activities - Enterprise Funds		
	Food Service	Non-Major Funds	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$601,546	327,316	928,862
Accounts receivable	261,728		261,728
Interfunds	28,530		28,530
Inventories	50,318		50,318
Total current assets	942,122	327,316	1,269,438
Noncurrent assets:			
Furniture, machinery & equipment	216,682		216,682
Less accumulated depreciation	(61,897)		(61,897)
Total noncurrent assets	154,785	0	154,785
Total assets	1,096,907	327,316	1,424,223
LIABILITIES			
Current liabilities:			
Interfund payable	500,932	8,792	509,724
Accounts payable	16,959	92	17,051
Capital lease payable	55,965		55,965
Total current liabilities	573,856	8,884	582,740
Noncurrent liabilities:			
Compensated absences	174,825		174,825
Total noncurrent liabilities	174,825	0	174,825
Total liabilities	748,681	8,884	757,565
NET ASSETS			
Invested in capital assets, net of related debt	154,785		154,785
Unrestricted	193,441	318,432	511,873
Total net assets	\$348,226	318,432	666,658

Township of Egg Harbor School District
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2009

	Business-type Activities - Enterprise Fund		
	Food Service	Non-Major Funds	Total Enterprise
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$1,483,452		1,483,452
Daily sales - non-reimbursable programs	173,140		173,140
Special functions	105,576		105,576
Latchkey program revenue		402,202	402,202
Total operating revenues	<u>1,762,168</u>	<u>402,202</u>	<u>2,164,370</u>
Operating expenses:			
Cost of sales	1,365,562		1,365,562
Salaries	1,404,242	302,456	1,706,698
Employee benefits	549,837	29,413	579,250
General supplies & materials	29,286	63,297	92,583
Depreciation	19,045		19,045
Total Operating Expenses	<u>3,367,972</u>	<u>395,166</u>	<u>3,763,138</u>
Operating income/(loss)	<u>(1,605,804)</u>	<u>7,036</u>	<u>(1,598,768)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	49,380		49,380
State school breakfast program	12,124		12,124
Federal sources:			
Supplemental Education Services		14,196	14,196
National school lunch program	958,949		958,949
National school breakfast program	160,362		160,362
Special milk program	9,684		9,684
Snacks	951		951
Fresh Fruits and Vegetables	44,912		44,912
Food distribution program	210,342		210,342
Interest and investment revenue	4,840	3,077	7,917
Total nonoperating revenues	<u>1,451,544</u>	<u>17,273</u>	<u>1,468,817</u>
Income/(Loss) before contributions & transfers	<u>(154,260)</u>	<u>24,309</u>	<u>(129,951)</u>
Other financing sources (uses):			
Transfers in	385,033		385,033
Write off prior year liability	55,419		55,419
Change in net assets	<u>286,192</u>	<u>24,309</u>	<u>310,501</u>
Total net assets—beginning	<u>62,034</u>	<u>294,123</u>	<u>356,157</u>
Total net assets—ending	<u><u>\$348,226</u></u>	<u><u>318,432</u></u>	<u><u>666,658</u></u>

Township of Egg Harbor School District
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2009

	Business-type Activities - Enterprise Funds		
	Food Service	Non-Major Funds	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$1,762,168	402,202	2,164,370
Payments to employees	(1,404,242)	(302,456)	(1,706,698)
Payments for employee benefits	(611,939)	(29,413)	(641,352)
Payments to suppliers	(29,286)	(63,205)	(92,491)
Payments to cost of sales	(1,241,779)		(1,241,779)
Net cash provided/(used) for operating activities	<u>(1,525,078)</u>	<u>7,128</u>	<u>(1,517,950)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	60,158		60,158
Federal Sources	1,113,098	14,196	1,127,294
Payments from other funds	475,181	(3,560)	471,621
Operating subsidies and transfers to other funds	385,033		385,033
Net cash provided by non-capital financing activities	<u>2,033,470</u>	<u>10,636</u>	<u>2,044,106</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of capital assets	(53,297)		(53,297)
Net cash (used) by capital financing activities	<u>(53,297)</u>	<u>0</u>	<u>(53,297)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	4,840	3,077	7,917
Net cash provided by investing activities	<u>4,840</u>	<u>3,077</u>	<u>7,917</u>
Net increase in cash and cash equivalents	459,935	20,841	480,776
Balances—beginning of year	141,611	306,475	448,086
Balances—end of year	<u>\$601,546</u>	<u>327,316</u>	<u>928,862</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income/(loss)	(\$1,605,804)	7,036	(1,598,768)
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	19,045		19,045
Federal commodities	210,342		210,342
Decrease in inventories	(16,603)		(16,603)
Increase/(Decrease) in accounts payable	(39,956)	92	(39,864)
Increase in compensated absences	(62,102)		(62,102)
(Decrease) in deferred revenue	(30,000)	0	(30,000)
Total adjustments	<u>80,726</u>	<u>92</u>	<u>80,818</u>
Net cash provided/(used) for operating activities	<u>(1,525,078)</u>	<u>7,128</u>	<u>(1,517,950)</u>

**Township of Egg Harbor School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009**

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and cash equivalents	\$626,875	1,112,103
Due from payroll agency	36,421	0
Total assets	663,296	1,112,103
LIABILITIES		
Payable to student groups		320,253
Due to unemployment trust		36,421
Conduit activities payable		67,857
Payroll deductions and withholdings		687,572
Total liabilities	0	1,112,103
NET ASSETS		
Held in trust for unemployment claims and other purposes	\$663,296	

**Township of Egg Harbor School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2009**

	Unemployment Compensation Trust
ADDITIONS	
Contributions:	
Plan member	\$105,642
Total Contributions	105,642
Investment earnings:	
Interest	6,212
Net investment earnings	6,212
Total additions	111,854
DEDUCTIONS	
Unemployment claims	64,401
Total deductions	64,401
Change in net assets	47,453
Net assets—beginning of the year	615,843
Net assets—end of the year	\$663,296

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Egg Harbor School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the Township of Egg Harbor School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so. The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY:

The Township of Egg Harbor School District is a Type II district located in the County of Atlantic, 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 Egg Harbor Township School District had an enrollment at June 30, 2009 of 7,978 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.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service and Kids Klub (latchkey) program are classified as business-type activities. Fiduciary funds are excluded from the government-wide financial statements.

In the governmental-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in three parts-invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and latchkey). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net assets resulting from the current year's activities.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **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.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.
- d. **Debt service** funds are 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.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs.

Food Services Fund – provides for the operation of food services in all schools within the school district.

Latchkey – accounts for the operation of an after school program for all children within the district.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net assets and changes in net assets, and are reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments), private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned in the Capital Projects Fund is recognized in the District’s General Fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District’s use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2008, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Food	\$	43,398
Supplies		<u>6,920</u>
	\$	<u>50,318</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) 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.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years

Infrastructure assets include roads, parking lots, underground pipe, etc. All infrastructure assets are reported in the financial statements and are being depreciated over their useful lives.

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue based on GASBS No. 33. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

6. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control:

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

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools. The following material transfers were made to/(from) budgetary line items:

<u>Account #</u>	<u>Account Name</u>	<u>Amount</u>
11-190-000-640	Textbooks	\$714,000
11-000-217-106	Salaries-Other Support Services Students – Extra Services	549,911
11-000-100-566	Tuition to Private School for the Disabled-within State	(365,000)
12-000-400-932	Transfer from Fund Balance to Current Capital Outlay Transfer To Capital Projects	1,431,704
		<u>\$2,330,615</u>

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

The accounting records of the 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 (See audit schedule C-4 for reconciliation). Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

10. Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

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

11. Tuition Receivable

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

12. Tuition Payable

Tuition charges for the fiscal years 2008/09 and 2007/08 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

13. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

14. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the original budgetary expenditures by program.

NOTE 2. INVESTMENTS

As of June 30, 2009, the District had no investments in New Jersey fixed income securities. All interest on capital fund investments are used in the general fund.

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk. New Jersey Statutes 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The District’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2009, \$0 of the District’s bank balance of \$15,453,566 was exposed to custodial credit risk.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of Egg Harbor Board of Education on October 28, 1997 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. During the 2008 fiscal year, the District transferred \$2,140,725 from the unreserved fund balance in order to fund the capital reserve fund. A capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP) 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the 2009 fiscal year is as follows:

Beginning balance, July 1	\$	2,140,725
Interest earnings		2,000
Withdrawals		
Board resolution 8/26/08		(161,519)
Board resolution 6/30/09		(1,170,185)
Ending balance, June 30	\$	<u>811,021</u>

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

NOTE 5. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2009, the district transferred \$1,431,704 to the capital outlay accounts. The transfers were made from the capital reserve account to supplement capital projects previously approved by the voters of the district on April 15, 2008.

Renovations to High School Administrative Office Area	\$ 161,519
Replacement of the High School Athletic Complex Bleachers	<u>1,170,185</u>
	<u>\$ 1,431,704</u>

NOTE 6. EMERGENCY RESERVE

New Jersey Statute 18A:7F-41(c) permits school districts to establish a current expense emergency reserve in the general fund with deposits made to the account with voter approval, beginning in the fiscal year 2008 budget process, or at year end by board resolution. This reserve account is to be used to finance future unanticipated (reasonably unforeseeable) general fund expenditures required for a thorough and efficient education. The emergency reserve balance cannot exceed \$250,000 or one percent of the district's general fund budget up to a maximum of \$1 million, whichever is greater. Withdrawals require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health costs greater than four percent.

The activity in the emergency reserve for the 2009 fiscal year is as follows:

Beginning balance, July 1	\$ 873,669
Increases:	
Approved at April 2008 election	<u>126,331</u>
Ending Balance, June 30	<u>\$ 1,000,000</u>

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**Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009**

NOTE 7. FIXED ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Disposals/ Adjustments</u>	<u>Balance June 30, 2009</u>
Governmental Activities:				
Capital assets that are not being depreciated:				
Construction in progress	\$23,052,516	9,996,602	0	33,049,118
Land	1,847,000			1,847,000
Total capital assets not being depreciated	<u>24,899,516</u>	<u>9,996,602</u>		<u>34,896,118</u>
Bldg and bldg improve	206,512,607			206,512,607
Machinery & equipment	11,212,021	996,189	(26,226)	12,181,984
Vehicles	6,848,973	218,895		7,067,868
Total at historical cost	<u>224,573,601</u>	<u>1,215,084</u>	<u>(26,226)</u>	<u>225,762,459</u>
Less accum depr for:				
Bldg and improve	(57,728,640)	(5,511,822)		(63,240,462)
Machinery & equipment	(9,649,295)	(994,414)	24,075	(10,619,634)
Vehicles	(2,219,530)	(239,843)		(2,459,373)
Total accum deprec	<u>(69,597,465)</u>	<u>(6,746,079)</u>	<u>24,075</u>	<u>(76,319,469)</u>
Total capital assets being depr, net of accum depr	<u>154,976,136</u>	<u>(5,530,995)</u>	<u>(2,151)</u>	<u>149,442,990</u>
Governmental activities capital assets, net	<u>179,875,652</u>	<u>4,465,607</u>	<u>(2,151)</u>	<u>184,339,108</u>
 Business-type activities:				
Equipment	114,493	102,189		216,682
Less accum depr for:				
Equipment	(49,925)	(11,972)		(61,897)
Business-type activities capital assets, net	<u>\$64,568</u>	<u>90,217</u>	<u>0</u>	<u>154,785</u>

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Depreciation expense charged to governmental functions is as follows:

Regular instruction	\$	2,659,562
Special education		609,544
Other special instruction		168,151
Other instruction		95,871
Tuition		401,415
Student & instruction related services		771,972
School administrative expenses		254,265
General and business administration		261,943
Plant operations and maintenance		934,143
Student transportation services		574,601
Special schools		14,612
	\$	<u>6,746,079</u>

NOTE 8. OPERATING LEASES

Effective December 1, 2006, the Board of Education is leasing various Pitney Bowes Mail Meter Machines for a term of fifty-two months. Monthly rent on the machines is \$1,300. Total rent paid during the year ended June 30, 2009 was \$15,600.

The Board is also leasing 8 modular classroom units that are located at various schools within the District. Total monthly rent on the units is \$11,412. Total rent paid during the year ended June 30, 2009 was \$76,080.

Year Ending June 30,		
2010	\$	87,780
2011		0
2012		0
2013		0
2014		0
Thereafter		0
Total	\$	<u>87,780</u>

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

NOTE 9. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2009 was as follows:

	Balance		Balance		Amounts
	06-30-08	Issued	Retired	6-30-09	Due Within
					One year
Governmental Activities	\$				
Bonds & loans payable:					
School bonds	87,140,000	27,924,000	3,185,000	111,879,000	3,265,000
Obligations under capital					
Leases	<u>4,273,454</u>	<u>700,000</u>	<u>1,030,785</u>	<u>3,942,669</u>	<u>903,659</u>
	<u>91,413,454</u>	<u>28,624,000</u>	<u>4,215,785</u>	<u>115,821,669</u>	<u>4,168,659</u>
Other liabilities:					
Worker's Compensation					
Claims	16,347	2,414		18,761	0
Compensated absences					
Payable	<u>5,271,530</u>	<u>406,558</u>	<u>214,814</u>	<u>5,463,274</u>	<u>479,138</u>
Governmental activities long-					
Term liabilities	<u>96,701,331</u>	<u>29,032,972</u>	<u>4,430,599</u>	<u>121,303,704</u>	<u>4,647,797</u>
Business-type Activities:					
Other liabilities:					
Compensated absences					
Payable	<u>236,927</u>		<u>62,102</u>	<u>174,825</u>	<u>52,474</u>
Business-type activities long-					
Term-liabilities	<u>\$236,927</u>	<u>0</u>	<u>62,102</u>	<u>174,825</u>	<u>52,474</u>

In addition to the long term liability balance of \$18,761 for worker's compensation claims, \$68,044 is included on the balance sheet as an other liability to cover the estimated claims over the next twelve months.

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 Board are general obligation bonds.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Long-term debt as of June 30, 2009 consisted of the following:

\$56,400,000 School Bonds dated 5/15/01 payable in annual installments through 7/15/25. Interest is paid semiannually at varying rates between 4.75% per annum and 5.50% per annum. On October 1, 2004 the District, through a refunding bond issue, called the bonds maturing on July 15 in the years 2012 through 2025 totaling \$52,600,000. The balance as of June 30, 2009 was \$1,340,000.

\$23,170,000 Refunding Bonds dated 11/1/02 payable in annual installments through 2/15/12. Interest is paid semiannually at varying rates ranging from 1.60% to 5.00% per annum. The total savings to the District was \$1,964,099, or 8.48% as a result of refunding the 1993 bond issue. The refunding bonds are not subject to redemption prior to their stated maturities. The balance remaining as of June 30, 2009 was \$8,245,000.

\$50,735,000 Refunding Bonds dated October 1, 2004 payable in annual installments on January 15, 2005 and each July 15 thereafter commencing in 2012 and continuing through 2025. Semi-annual interest payments are due, at rates ranging from 3.00% to 5.75%, on January 15 and July 15, commencing January 15, 2005. The total savings to the District was \$1,588,925, or 3.021% as a result of refunding the 2001 bond issue. The refunding bonds are not subject to redemption prior to their stated maturities. The balance remaining as of June 30, 2009 was \$50,135,000.

\$23,052,000 School Bonds dated 4/1/05 payable in annual installments through 4/1/30. Interest is paid semiannually at varying rates ranging from 3.5% to 5.00% per annum. On December 14, 2006 the District, through a refunding bond issue, called the bonds maturing on 4/1/22 and 4/1/25 through 4/1/30 totaling \$13,572,000. The balance remaining as of June 30, 2009 was \$9,080,000.

\$15,410,000 Refunding Bonds dated December 14, 2006 payable in annual installments through April 1, 2030. Interest is paid semiannually at varying rates ranging from 3.50% to 4.125% per annum. The total savings to the District was \$413,095, or 3.04% as a result of refunding the 2005 bond issue. Bonds maturing on or after 4/1/17 are redeemable at the option of the Board in whole or in part, on any date on or after 4/1/16 at par, plus unpaid accrued interest to the date fixed for redemption. The balance remaining as of June 30, 2009 was \$15,155,000.

\$27,924,000 School bonds dated 9/15/08 payable in annual installments beginning 9/15/12 and continuing through 9/15/28. Interest is paid semiannually at varying rates between 4.00% per annum and 4.25% per annum. Bonds maturing on or after 9/15/19 are redeemable at the option of the Board in whole or in part, on any date on or after 9/15/18 at par, plus unpaid accrued interest to the date fixed for redemption. The balance remaining as of June 30, 2009 was \$27,924,000.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2010	3,265,000	6,353,425	9,618,425
2011	3,400,000	5,650,358	9,050,358
2012	3,410,000	5,482,458	8,892,458
2013	4,394,000	5,261,103	9,655,103
2014	4,590,000	5,100,210	9,690,210
2014-2018	26,270,000	22,361,469	48,631,469
2019-2023	33,210,000	14,347,205	47,557,205
2024-2028	30,315,000	3,707,118	34,022,118
2029-2030	3,025,000	124,781	3,149,781
	\$ <u>111,879,000</u>	<u>68,388,127</u>	<u>180,267,127</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2009 the Board had authorized but not issued bonds in the amount of \$1,357.

C. Capital Leases Payable:

The District is leasing various equipment, vehicles, and facilities totaling \$7,235,449 under capital leases. Semiannual lease payments are made to GE Capital Public Finance, Inc., Blue Bird Body Company, SunTrust Leasing Co., Banc of America, and TD Equipment Finance, and include interest at a rate of 3.75% to 5.80% per annum. The following is a schedule of the future minimum lease payments under this capital lease and the net minimum lease payments at June 30, 2009.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2010	903,659	174,725	1,078,384
2011	944,833	134,724	1,079,557
2012	719,123	92,872	811,995
2013	530,377	59,505	589,882
2014	362,696	35,901	398,597
2015-2017	481,981	27,622	509,603
Total	\$ <u>3,942,669</u>	<u>525,349</u>	<u>4,468,018</u>

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

The following schedule lists the equipment, along with the accumulated depreciation, that has been obtained through capital leases:

<u>Description</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Remaining Value</u>
Transportation Equipment	\$6,369,449	2,745,153	701,200
Operation & Maint of Plant Srvs	886,000	164,800	3,624,296
	<u>\$7,235,449</u>	<u>2,909,953</u>	<u>4,325,496</u>

NOTE 9. SCHOOL CONSTRUCTION PROJECT

On January 25, 2005, the voters of the School District approved a \$55,095,913 referendum for the construction of two elementary schools at the Davenport and Slaybaugh campuses, as well as new construction and rehabilitation at the High School. Of the total cost authorized, 58% was funded through the New Jersey School Development Authority (SDA) and 42% was funded through the issuance of serial bonds. The SDA served as project manager and was responsible for the bidding and awarding of all contracts. During July 2005, the District remitted the bond proceeds of \$23,052,000 to the SDA to cover the District share of the costs. The following is a schedule of the costs by school:

	<u>Funded by</u>		<u>Total</u>
	<u>SDA</u>	<u>Serial Bonds</u>	
New Elementary Schools:			
Davenport Campus	\$7,242,138	5,210,106	12,452,244
Slaybaugh Campus	7,242,138	5,210,106	12,452,244
Rehabilitation at the High School	17,559,121	12,632,304	30,191,425
	<u>\$32,043,397</u>	<u>23,052,516</u>	<u>55,095,913</u>

As of June 30, 2008 SDA funds related to the construction of the elementary schools and a portion of the high school had been expended. Prior period balances have been restated in order to reflect this activity.

The District was also awarded a \$786,000 grant through the New Jersey Department of Treasury, Pinelands Comprehensive Management Plan which is being used to fund an addition and alterations at the Intermediate School. The district has also transferred \$4,440,174 from capital outlay and capital reserve to fund this project. As of June 30, 2009, the District expended \$5,208,748 for this project.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

NOTE 10. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans 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 or the reports can be accessed on the internet at http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January, 1955 under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related 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

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State 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.

Funding Policy

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

**Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009**

employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 5.5% and the PERS rate is 5.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2009, 2008 and 2007 were \$2,724,217, \$4,806,321, and \$4,426,169 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2009, 2008 and 2007 were \$831,468, \$607,698, and \$362,646 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2009, 2008 and 2007, the State of New Jersey contributed \$2,724,217, \$4,806,321, and \$4,426,169, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$3,400,644, \$3,257,338, and \$2,890,602 during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

NOTE 11. LABOR CONTRACTS

As of June 30, 2009, the District's employees are organized in two collective bargaining units.

<u>Bargaining Unit</u>	<u>Employees Covered</u>	<u>Expiration</u>
EHT Education Association	All regularly employed certified personnel, secretarial, and clerical personnel, and paraprofessional. This contract also includes regularly employed custodial, grounds, maintenance, and cafeteria personnel, except supervisors.	June 30, 2012
Principals' and Supervisors' Association	All certified administrative personnel, excluding the Superintendent, Asst Superintendents, Business Administrator, and all employees considered confidential by law.	June 30, 2012

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

In addition to the above contracts, the Board of Education has entered into individual employment agreements with the Superintendent, Assistant Superintendents, Business Administrator and Central Office employees. The expiration of these contracts will vary depending on the position.

NOTE 12. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2008, there were 80,181 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994.

The State made post-retirement (PRM) contributions of \$592.7 million for TPAF and \$224.3 million for PERS in Fiscal Year 2008.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$116.0 million toward Chapter 126 benefits for 12,545 eligible retired members in Fiscal Year 2008.

NOTE 13. SPECIAL PAY DEFERRAL PLAN

Effective July 1, 2003 the District implemented a Special Pay Deferral Plan in accordance with Section 403(b) of the Internal Revenue Code. This plan will allow employees who are 50 years of age or older and have a minimum accumulated leave of \$1,000 to contribute the value of these benefits to a Tax-Sheltered Custodial Account for distribution after the participant reaches age 70 1/2. Distribution may be made in the form of a life annuity, 50% qualified joint and survivor annuity, installments, or as a lump sum distribution.

NOTE 14. DEFERRED COMPENSATION

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

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Equitable
Lincoln Investment Planning
Syracusa Benefits Program

Vanguard
Retirement Annuity Consultants, Inc.
Great American

NOTE 15. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. 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 vacation and sick leave in varying amounts under the District's personnel policies. Sick leave benefits provide for ordinary sick pay and is capped based on the various employee 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.

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, 2009, a liability existed for compensated absences in the Food Service Fund in the amount of \$174,825.

NOTE 16. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, there are potential legal proceedings that may have a material affect on the accompanying financial statements.

NOTE 17. FUND BALANCE APPROPRIATED

General Fund – Of the \$13,404,868 General Fund fund balance at June 30, 2009, \$3,044,125 is reserved for encumbrances; \$4,686,984 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,618,081 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2010); \$1,000,000 has been reserved in the Current Expense Emergency Reserve Accounts; \$811,021 has been reserved in the Capital Reserve Account; \$1,381,919 has been appropriated and included as anticipated revenue for the year ending June 30, 2010; and \$2,480,819 is unreserved and undesignated. During the fiscal year, authorized and approved appropriations of \$1,331,704 surplus were made on June 30, 2009.

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

Debt Service Fund – Of the \$8,626 Debt Service Fund fund balance at June 30, 2009, \$8,626 has been appropriated and included as anticipated revenue for the year ending June 30, 2010.

NOTE 18. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. 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, 2009 is \$4,686,984, of which \$1,618,081 has been appropriated and included as anticipated revenue for the year ending June 30, 2010.

NOTE 19. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation to fund the District operations and debt service. Property taxes funded 56% of the Districts 2008-2009 governmental operations.

NOTE 20. 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. During the fiscal year ended June 30, 2009 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2008-2009	None	111,854	64,401	663,296
2007-2008	None	119,722	46,895	615,843
2006-2007	None	113,186	49,865	543,016

Worker’s Compensation Fund – Through February 1, 1999, the District retained risk through an established self-funded workers compensation fund with Berkley Risk Managers, Inc. Premiums were paid into the fund and were available to pay claims, claim reserves and administrative costs

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

of the program. The Board currently maintains traditional insurance for its worker's compensation coverage.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The workers compensation account is reported in the general fund. Only amounts that are current liabilities have been included as a charge against the budget line item. For the fiscal year ended June 30, 2009, \$0 was charged to the worker's compensation budget line item. The balance of estimated unpaid claims and settlement expense as of June 30, 2009 and 2008 was \$18,761 and \$16,347, respectively. There is a potential contingent liability that exceeds the amount the District has in the worker's compensation fund.

Fiscal Year	Balance	Claims	Claims	Balance
<u>Ended</u>	<u>Beginning of Year</u>	<u>Incurred</u>	<u>Paid</u>	<u>End of Year</u>
6/30/09	\$99,929		13,124	86,805
6/30/08	200,082		100,153	99,929
6/30/07	269,322		69,240	200,082

NOTE 21. INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2009, several interfunds remained on the various balance sheets of the Township of Egg Harbor Board of Education.

	From	To
General Fund:		
Special Revenue Fund	\$465,346	
Enterprise Fund	509,724	28,530
Capital Projects	1,664,999	1,170,185
Special Revenue Fund:		
General Fund		465,346
Capital Projects Fund:		
General Fund	1,170,185	1,664,999
Enterprise Fund:		
General Fund	28,530	509,724
	<u>\$3,838,784</u>	<u>3,3838,784</u>

Township of Egg Harbor School District
Notes to Financial Statements
June 30, 2009

All interfunds are created as a result of timing differences between cash requirements in various funds and the receipt of cash from funding agencies and to subsidize operating revenue in food service. In addition, state aid cash is directly deposited into the general bank account and subsequently transferred to the enterprise bank account. During the 2009 fiscal year, the general fund made a permanent interfund transfer in the amount of \$385,033 to the enterprise fund to cover accumulated deficits in the District food service program. Also, the District transferred \$1,431,704 from capital outlay to capital projects to fund repairs and renovations at the High School. It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 22. SUBSEQUENT EVENTS

Capital Leases

Subsequent to June 30, 2009, the District entered into the following capital lease agreement:

Effective September 9, 2009, lease purchase of various school buses. Lease is payable in annual principal installments ranging from \$30,000 to \$45,000. Interest at a rate of 4.25% per annum, is payable semiannually. The first payment of principal and interest is due March 15, 2010. \$ 255,000

The following is a schedule of the future minimum lease payments under this capital lease and the net minimum lease payments:

Year ending June 30,	Principal	Interest	Total
2010	\$ 30,000	5,552	35,552
2011	35,000	9,562	44,562
2012	35,000	8,097	43,097
2013	35,000	6,588	41,588
2014	40,000	5,100	45,100
2015-2016	80,000	5,105	85,105
Total	\$ <u>255,000</u>	<u>40,004</u>	<u>295,004</u>

Required Supplementary Information
Part II

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BUDGETARY COMPARISON SCHEDULES

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**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	59,739,242		59,739,242	59,739,242	0
Tuition			420,000	117,355	117,355
Interest	420,000		2,000	571,745	151,745
Interest Earned on Capital Reserve Funds	2,000		15,000		(2,000)
Miscellaneous	15,000	0		280,371	265,371
Total - Local Sources	60,176,242	0	60,176,242	60,708,713	532,471
State Sources:					
Targeted At-Risk Aid	1,138,500		1,138,500	1,138,500	0
Categorical Transportation Aid	2,689,757		2,689,757	2,689,757	0
Categorical Security Aid	1,229,024		1,229,024	1,229,024	0
Equalization Aid	30,935,396	(353,162)	30,582,234	30,582,234	0
Categorical Special Education Aid	3,963,446		3,963,446	3,963,446	0
Special Education Extraordinary Aid	223,187	154,249	377,436	377,436	0
Nonpublic School Transportation Aid				90,623	90,623
On-Behalf TPAF Pension Contributions (non-budgeted)				2,724,217	2,724,217
Reimbursed TPAF Social Security Contributions (non-budgeted)				3,400,644	3,400,644
Total - State Sources	40,179,310	(198,913)	39,980,397	46,195,881	6,215,484
Federal Sources:					
Medical Assistance Program		0		58,154	58,154
Total - Federal Sources	0	0	0	58,154	58,154
Total Revenues	100,355,552	(198,913)	100,156,639	106,962,748	6,806,109

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool/Kindergarten	728,020	9,300	737,320	737,320	0
Grades 1-5	10,798,260	37,704	10,835,964	10,753,151	82,813
Grades 6-8	7,747,751	(16,933)	7,730,818	7,680,974	49,844
Grades 9-12	9,006,400	(18,000)	8,988,400	8,978,920	9,480
Regular Programs - Home Instruction:					
Salaries of Teachers	242,172	0	242,172	135,658	106,514
Purchased Professional - Educational Services	29,986	280	30,266	18,347	11,919
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	78,641	(1,317)	77,324	51,631	25,693
Purchased Technical Services	61,687	54,833	116,520	68,680	47,840
Other Purchased Services	28,400	10,369	38,769	28,932	9,837
General Supplies	1,539,578	62,904	1,602,482	1,516,087	86,395
Textbooks	1,420,821	941,768	2,362,589	753,423	1,609,166
Other Objects	0	0	0	0	0
Total Regular Programs	31,681,716	1,080,908	32,762,624	30,723,123	2,039,501
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,299,653	(70,000)	1,229,653	1,214,425	15,228
Other Salaries for Instruction	356,298	(250,000)	106,298	90,397	15,901
General Supplies	31,707	906	32,613	29,406	3,207
Textbooks	11,772	0	11,772	9,492	2,280
Total Learning and/or Language Disabilities	1,699,430	(319,094)	1,380,336	1,343,720	36,616
Multiple Disabilities					
Salaries of Teachers	241,700	(32,525)	209,175	173,700	35,475
Other Salaries for Instruction	272,837	(170,000)	102,837	85,436	17,401
General Supplies	5,569	660	6,229	5,874	355
Textbooks	0	0	0	0	0
Total Multiple Disabilities	520,106	(201,865)	318,241	265,010	53,231

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Resource Room/Resource Center					
Salaries of Teachers	4,787,337	102,525	4,889,862	4,889,862	0
Other Salaries for Instruction	244,836	(33,000)	211,836	196,759	15,077
General Supplies	78,772	3,884	82,656	76,662	5,994
Textbooks	39,111	(1,945)	37,166	20,201	16,965
Total Resource Room/Resource Center	5,150,056	71,464	5,221,520	5,183,484	38,036
Preschool Disabilities - Part Time					
Salaries of Teachers	372,613	0	372,613	363,000	9,613
Other Salaries for Instruction	267,489	(61,000)	206,489	196,636	9,853
General Supplies	9,500	150	9,650	8,769	881
Total Preschool Disabilities - Part Time	649,602	(60,850)	588,752	568,405	20,347
Total Special Education - Instruction	8,019,194	(510,345)	7,508,849	7,360,619	148,230
Basic Skills/Remedial - Instruction					
Salaries of Teachers	1,429,170	0	1,429,170	1,404,611	24,559
General Supplies	4,700	0	4,700	3,968	732
Total Basic Skills/Remedial - Instruction	1,433,870	0	1,433,870	1,408,579	25,291

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Bilingual Education - Instruction:					
Salaries of Teachers	636,169	(24,067)	612,102	601,907	10,195
Purchased Professional - Educational Services	5,000	677	5,677	42	5,635
General Supplies	11,988	7,775	19,763	7,343	12,420
Total Bilingual Education - Instruction	653,157	(15,615)	637,542	609,292	28,250
School Sponsored Cocurricular Activities - Instruction:					
Salaries	328,721	330	329,051	312,667	16,384
Purchased Services	5,400	(2,600)	2,800	1,925	875
Supplies and Materials	26,540	620	27,160	22,786	4,374
Other Objects	1,500	0	1,500	1,021	479
Total School Sponsored Cocurricular Activities - Instruction	362,161	(1,650)	360,511	338,399	22,112
School-Sponsored Athletics - Instruction					
Salaries	510,632	53,906	564,538	564,538	0
Purchased Services	32,351	(9,450)	22,901	22,050	851
Supplies and Materials	124,000	30,962	154,962	152,750	2,212
Other Objects	23,440	12,785	36,225	36,069	156
Transfers to Cover Deficit (Agency Funds)	108,565	(66,685)	41,880	41,880	0
Total School-Sponsored Athletics - Instruction	798,988	21,518	820,506	817,287	3,219
Total Instruction	42,949,086	574,816	43,523,902	41,257,299	2,266,603
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	10,000	0	10,000	2,670	7,330
Tuition to Other LEAs Within the State - Special		17,573	17,573	4,477	13,096
Tuition to County Voc. School Dist. - Regular	470,596	9,750	480,346	457,096	23,250
Tuition to CSSD & Regional Day Schools	1,859,854	(30,536)	1,829,318	1,723,646	105,672
Tuition to Private Schools for the Disabled - Within State	1,473,467	(130,412)	1,343,055	820,598	522,457
Tuition to Private Schools Disabled & Other LEAs- Special - Outside State	123,968	17,172	141,140	109,490	31,650
Tuition - State Facilities	207,333	0	207,333	189,000	18,333
Tuition - Other	79,132	0	79,132	57,228	21,904
Total Undistributed Expenditures - Instruction	4,224,350	(116,453)	4,107,897	3,364,205	743,692

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Attendance and Social Work:					
Salaries	226,310	0	226,310	225,373	937
Other Purchased Services	6,520	220	6,740	4,800	1,940
Supplies and Materials	3,036	338	3,374	3,307	67
Other Objects	250	0	250	0	250
Total Undistributed Expenditures - Attendance and Social Work	236,116	558	236,674	233,480	3,194
Undistributed Expenditures - Health Services:					
Salaries	849,409	0	849,409	832,565	16,844
Purchased Professional and Technical Services	64,522	4,344	68,866	36,456	32,410
Supplies and Materials	17,019	2,484	19,503	14,618	4,885
Total Undistributed Expenditures - Health Services	930,950	6,828	937,778	883,639	54,139
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries of Other Professional Staff	1,016,369	0	1,016,369	995,771	20,598
Purchased Professional - Educational Services	130,750	0	130,750	74,210	56,540
Supplies and Materials	18,200	0	18,200	6,490	11,710
Total Undistributed Expenditures - Other Support Services - Students - Related Services	1,165,319	0	1,165,319	1,076,471	88,848
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	605,701	549,911	1,155,612	1,155,612	0
Purchased Professional - Educational Services	55,400	712	56,112	36,675	19,437
Supplies and Materials	20,000	(5,535)	14,465	7,550	6,915
Total Undistributed Expenditures - Other Support Services - Extra Services	681,101	545,088	1,226,189	1,199,837	26,352

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Other Support Services -					
Students - Regular:					
Salaries of Other Professional Staff	1,903,706	0	1,903,706	1,860,213	43,493
Salaries of Secretarial and Clerical Assistants	121,860	0	121,860	121,132	728
Other Purchased Professional and Technical Services	17,766	7,383	25,149	6,438	18,711
Other Purchased Services	8,995	699	9,694	2,972	6,722
Supplies and Materials	49,479	1,375	50,854	42,316	8,538
Total Undistributed Expenditures - Other Support Services -	2,101,806	9,457	2,111,263	2,033,071	78,192
Students - Regular					
Undistributed Expenditures - Other Support Services -					
Students - Special:					
Salaries of Other Professional Staff	1,631,235	(49,811)	1,581,424	1,508,450	72,974
Salaries of Secretarial and Clerical Assistants	232,640	0	232,640	218,850	13,790
Other Purchased Professional and Technical Services	8,000	289	8,289	5,685	2,604
Residential Costs	154,503	18,577	173,080	126,936	46,144
Miscellaneous Purchased Services	13,264	40	13,304	8,629	4,675
Supplies and Materials	43,700	2,364	46,064	40,450	5,614
Total Undistributed Expenditures - Other Support Services -	2,083,342	(28,541)	2,054,801	1,909,000	145,801
Students - Special					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Secretary and Clerical Assistants	32,747	0	32,747	21,824	10,923
Salaries of Supervisors of Instruction	886,355	0	886,355	877,037	9,318
Other Objects	25,000	(3,308)	21,692	13,783	7,909
Total Undistributed Expenditures - Improv. of Instr. Services	944,102	(3,308)	940,794	912,644	28,150
Undistributed Expenditures - Educational Media Services -					
School Library					
Salaries	841,085	0	841,085	816,248	24,837
Purchased Professional and Technical Services	274,023	7,534	281,557	117,166	164,391
Other Purchased Services	45,264	33	45,297	39,065	6,232
Supplies and Materials	285,998	9,864	295,862	276,217	19,645
Other Objects	14,405	700	15,105	13,631	1,474
Total Undistributed Expenditures - Educational Media Services -	1,460,775	18,131	1,478,906	1,262,327	216,579
School Library					

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	121,403	0	121,403	119,669	1,734
Salaries of Other Professional Staff	37,000	3,350	40,350	40,271	79
Purchased Professional - Educational Services	41,163	(2,295)	38,868	29,638	9,230
Other Purchased Services	24,715	0	24,715	1,400	23,315
Supplies and Materials	7,009	720	7,729	3,135	4,594
Other Objects	11,033	300	11,333	11,104	229
Total Undistributed Expenditures - Instructional Staff Training Srvc	242,323	2,075	244,398	205,217	39,181
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	650,160	39,058	689,218	689,218	0
Legal Services	226,000	124,305	350,305	275,958	74,347
Audit Fees	36,000	(7,000)	29,000	29,000	0
Other Purchased Professional Services	88,200	67,655	155,855	80,276	75,579
Purchased Technical Services	12,000	(7,000)	5,000	1,866	3,134
Communications/Telephone	319,810	1,452	321,262	223,776	97,486
Other Purchased Services	233,740	6,460	240,200	211,531	28,669
Supplies and Materials		0		0	0
General Supplies	19,130	1,179	20,309	12,145	8,164
BOE In-House Training/Meeting Supplies	11,330	3,900	15,230	12,906	2,324
Miscellaneous Expenditures	28,600	985	29,585	16,167	13,418
BOE Membership Dues and Fees	38,341	35	38,376	29,417	8,959
Total Undistributed Expenditures - Support Services - Gen. Admin.	1,663,311	231,029	1,894,340	1,582,260	312,080
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals	1,744,802	(37,482)	1,707,320	1,707,320	0
Salaries of Other Professional Staff	411,461	13,900	425,361	425,301	60
Salaries of Secretarial and Clerical Assistants	805,991	(9,203)	796,788	796,788	0
Purchased Professional and Technical Services	34,187	13,032	47,219	43,605	3,614
Other Purchased Services	46,733	10,759	57,492	33,546	23,946
Supplies and Materials	71,805	10,448	82,253	51,071	31,182
Other Objects	15,282	518	15,800	4,114	11,686
Total Undistributed Expenditures - Support Serv. - School Admin.	3,130,261	1,972	3,132,233	3,061,745	70,488

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Central Services					
Salaries	557,873	(23,394)	534,479	534,479	0
Purchased Technical Services	62,760	4,974	67,734	53,371	14,363
Miscellaneous Purchased Services (400-500 series)	233,196	30,718	263,914	224,299	39,615
Supplies and Materials	19,500	2,238	21,738	21,136	602
Miscellaneous Expenditures	12,000	(1,625)	10,375	6,141	4,234
Total Undistributed Expenditures - Central Services	885,329	12,911	898,240	839,426	58,814
Undistributed Expenditures - Administrative Information Technology					
Salaries	301,725	(10,006)	291,719	291,719	0
Purchased Technical Services	68,440	34,428	102,868	25,986	76,882
Supplies and Materials	31,625	8,033	39,658	36,571	3,087
Total Undistributed Expenditures - Admin. Information Technology	401,790	32,455	434,245	354,276	79,969
Undistributed Expenditures - Required Maint for School Facilities					
Salaries	520,303	0	520,303	499,834	20,469
Cleaning, Repair, and Maintenance Services	340,346	209,239	549,585	477,459	72,126
General Supplies	131,723	10,932	142,655	126,560	16,095
Other Objects	2,063	(1,603)	460	460	0
Total Undistributed Expenditures - Required Maint for School Facilities	994,435	218,568	1,213,003	1,104,313	108,690
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	3,626,780	56,853	3,683,633	3,656,822	26,811
Cleaning, Repair and Maintenance Services	588,278	5,587	593,865	530,872	62,993
Rental of Land & Building Other than Lease Purch Agmt	546,248	(2,160)	544,088	533,858	10,230
Other Purchased Property Services	143,991	15,657	159,648	148,327	11,321
Insurance	318,321	8,591	326,912	326,912	0
General Supplies	382,856	37,143	419,999	391,584	28,415
Energy (Heat and Electricity)	4,193,886	370,358	4,564,244	4,009,452	554,792
Other Objects	2,678	(555)	2,123	2,123	0
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	9,803,038	491,474	10,294,512	9,599,950	694,562

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Student Transportation Services:					
Sal for Pupil Transp (Between Home and School)-Reg.	2,217,822	(100,686)	2,117,136	2,050,599	66,537
Sal for Pupil Transp (Between Home and School)-Sp Ed	166,952	7,086	174,038	174,038	0
Sal for Pupil Transp (Other than Bet. Home & School)	276,679	0	276,679	262,807	13,872
Other Purchased Professional and Technical Services	24,660	0	24,660	17,661	6,999
Cleaning, Repair, and Maintenance Services	111,759	91,769	203,528	130,723	72,805
Lease Purchase Payments - School Buses	855,244	0	855,244	824,073	31,171
Contracted Services - (Between Home and School) - Joint Agree.	51,678	37,486	89,164	89,056	108
Contracted Services - (Between Home and School) - Vendors	688,622	47,297	735,919	674,046	61,873
Contracted Services - (Special Ed Students) - Vendors	65,000	0	65,000	0	65,000
Contracted Services - (Special Ed Students) - Joint Agree.	1,127,000	0	1,127,000	829,804	297,196
Contracted Services - Aid in Lieu of Payments	142,296	13,878	156,174	89,953	66,221
Contracted Services - Aid in Lieu of Payments - Charter School	44,191	5,569	49,760	43,539	6,221
Miscellaneous Purchased Services - Transportation	108,639	0	108,639	94,583	14,056
Supplies and Materials	1,244,900	(161,955)	1,082,945	995,078	87,867
Miscellaneous Expenditures	10,500	2,000	12,500	10,890	1,610
Total Undistributed Expenditures - Student Transportation Serv.	7,135,942	(57,556)	7,078,386	6,286,850	791,536
Unallocated Benefits:					
Social Security Contributions	1,113,369	72,000	1,185,369	1,182,810	2,559
Other Retirement Contributions - Regular	903,787	997,669	903,787	831,468	166,201
Workmen's Compensation	17,501,316	(351,364)	17,149,952	850,944	52,843
Health Benefits	64,600	3,070	67,670	16,889,558	260,394
Tuition Reimbursement	1,395,370	(1,069,669)	325,701	46,120	21,550
Other Employee Benefits				322,662	3,039
Total Unallocated Benefits	20,978,442	(348,294)	20,630,148	20,123,562	506,586

Township of Egg Harbor School District
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2009

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
On-behalf TPAF Pension Contributions (non-budgeted)				2,724,217	(2,724,217)
Reimbursed TPAF Social Security Contributions (non-budgeted)				3,400,644	(3,400,644)
Total On-behalf Contributions	0	0	0	6,124,861	(6,124,861)
Total Undistributed Expenditures	59,062,732	1,016,394	60,079,126	62,157,134	(2,078,008)
Total Current Expense	102,011,818	1,591,210	103,603,028	103,414,433	188,595
Capital Outlay:					
Equipment:					
Undistributed Expenditures:					
Grades 1-5		6,334	6,334	6,334	0
Grades 6-8	24,019	2,708	26,727	0	26,727
Grades 9-12	111,251	8,475	119,726	106,621	13,105
Instruction	35,000	0	35,000	29,720	5,280
Support Services - Related Services		9,876	9,876	9,876	0
Support Services - General Administration		4,100	4,100	0	4,100
Support Services - School Administration		5,600	5,600	5,600	0
Support Services - Central Services		14,316	14,316	0	14,316
Support Services - Student Transportation-Non Inst. Equip	45,000	28,400	73,400	0	73,400
Support Services - Admin Info Tech.		47,061	47,061	9,550	37,511
Undist. Expend. - Operation & Maint. Of Plant Serv	169,184	317,332	486,516	275,772	210,744
Total Equipment	384,454	444,202	828,656	443,473	385,183
Facilities Acquisition and Construction Services:					
Construction Services		63,989	63,989	46,266	17,723
Other Objects		88,701	88,701	0	88,701
Total Facilities Acquisition and Construction Services	0	152,690	152,690	46,266	106,424
Assets Acquired Under Capital Leases (non-budgeted):					
Undistributed Expenditures:					
General Administration				700,000	(700,000)
Total Assets Acquired Under Capital Leases (non-budgeted)	0	0	0	700,000	(700,000)
Total Capital Outlay	384,454	596,892	981,346	1,189,739	(208,393)

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	155,594	665	156,259	156,259	0
General Supplies	2,045	0	2,045	2,026	19
Total Summer School - Instruction	157,639	665	158,304	158,285	19
Summer School - Support Services:					
Salaries	22,349	(665)	21,684	21,390	294
Total Summer School - Support Services	22,349	(665)	21,684	21,390	294
Total Special Schools	179,988	0	179,988	179,675	313
Transfer to Charter Schools	801,673	114,510	916,183	862,294	53,889
Total Expenditures	103,377,933	2,302,612	105,680,545	105,646,141	34,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,022,381)	(2,501,525)	(5,523,906)	1,316,607	6,840,513
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Food Service Fund - Board Contribution	(385,033)	0	(385,033)	(385,033)	0
Increase in Current Emergency Reserve	(126,331)	0	(126,331)	0	126,331
Transfer to Capital Projects	(100,000)	(1,331,704)	(1,431,704)	(1,431,704)	0
Interest Deposit to Capital Reserve	(2,000)	0	(2,000)	0	2,000
Adjustment to prior year miscellaneous (fund 20 adjustment)				13,137	13,137
Capital Leases (non-budgeted)		0		700,000	700,000

**Township of Egg Harbor School District
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,635,745)	(3,833,229)	(7,468,974)	213,007	7,681,981
Fund Balances, July 1	13,191,861	0	13,191,861	13,191,861	0
Fund Balances, June 30	<u>\$9,556,116</u>	<u>(3,833,229)</u>	<u>5,722,887</u>	<u>13,404,868</u>	<u>7,681,981</u>

Recapitulation of Fund Balance:

Reserve for Encumbrances	\$3,044,125
Reserve for Current Expense Emergency	1,000,000
Reserve for Capital Reserve	811,021
Designated for Subsequent Year's Expenditures	1,381,919
Excess Surplus	3,068,903
Excess Surplus-Designated for Subsequent Year's Expenditures	1,618,081
Unrestricted Fund Balance	<u>2,480,819</u>
	13,404,868

Reconciliation to Governmental Funds Statements (GAAP)

Last State Aid Payment Not Recognized on GAAP Basis	(3,483,777)
	<u>\$9,921,091</u>

**Township of Egg Harbor School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	147,690	10,000	157,690	124,241	(33,449)
Total - Local Sources	147,690	10,000	157,690	124,241	(33,449)
State Sources:					
Nonpublic aid	348,955	0	348,955	287,214	(61,741)
Other State Aid	6,773	0	6,773	5,988	(785)
Total - State Sources	355,728	0	355,728	293,202	(62,526)
Federal Sources:					
Title I	656,699	0	656,699	472,931	(183,768)
I.D.E.A., Part B	2,103,019	0	2,103,019	1,641,517	(461,502)
Vocational Education	51,947	0	51,947	51,801	(146)
Other	483,594	0	483,594	341,383	(142,211)
Total - Federal Sources	3,295,259	0	3,295,259	2,507,632	(787,627)
Total Revenues	3,798,677	10,000	3,808,677	2,925,075	(883,602)
EXPENDITURES:					
Instruction					
Salaries of Teachers	1,057,832	(428)	1,057,404	698,275	359,129
Purchased Professional and Technical Services	444,505	(2,219)	442,286	332,989	109,297
Other Purchased Services (400-500 series)	1,096,584	0	1,096,584	1,097,584	(1,000)
General Supplies	116,675	8,333	125,008	92,792	32,216
Textbooks	25,450	0	25,450	23,363	2,087
Other objects	10,175	(100)	10,075	10,075	0
Total instruction	2,751,221	5,586	2,756,807	2,255,078	501,729

**Township of Egg Harbor School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES (CONT'D):					
Support Services					
Salaries of Program Directors	440,676	0	440,676	243,759	196,917
Salaries of Other Professional Staff	17,105	(380)	16,725	16,725	0
Personal Services - Employee Benefits	173,281	(19)	173,262	95,528	77,734
Purchased Professional - Educational Services	32,732	24,977	57,709	30,990	26,719
Purchased Technical Services	239,988	(22,970)	217,018	158,617	58,401
Travel	12,141	1,857	13,998	13,778	220
Other purchased Services (400-500 series)	50,399	(1,422)	48,977	45,515	3,462
Supplies & Materials	51,864	2,375	54,239	38,624	15,615
Other objects	3,953	(4)	3,949	2,029	1,920
Total support services	<u>1,022,139</u>	<u>4,414</u>	<u>1,026,553</u>	<u>645,565</u>	<u>380,988</u>
Facilities acquisition and construction services:					
Instructional Equipment	25,317	0	25,317	24,432	885
Noninstructional Equipment	0	0	0	0	0
Total facilities acquisition and construction services	<u>25,317</u>	<u>0</u>	<u>25,317</u>	<u>24,432</u>	<u>885</u>
Transfers to Charter Schools		0		0	0
Total expenditures	<u>3,798,677</u>	<u>10,000</u>	<u>3,808,677</u>	<u>2,925,075</u>	<u>883,602</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Township of Egg Harbor School District
 Required Supplementary Information
 Budgetary Comparison Schedule
 Notes to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2009

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

	General Fund	Special Revenue
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$106,962,748	2,925,075
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Prior year		233,104
Current year		(184,889)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,353,183	28,577
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(3,483,777)	
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	104,832,154	3,001,867
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	105,646,141	2,925,075
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Prior year	0	233,104
Current year	0	(184,889)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$105,646,141	2,973,290

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SPECIAL REVENUE FUND

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TOWNSHIP OF EGG HARBOR
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2009

	Nonpublic Textbooks	Nonpublic Compensatory Education	Nonpublic Auxiliary Aid Transportation	Examination & Classification	Nonpublic Handicapped Aid Corrective Speech	Supplemental Instruction	Nonpublic Nursing
REVENUES:							
State Sources	23,363	111,477	27,565	34,317	26,970	15,694	30,990
Federal Sources							
Local Sources							
Total revenues	<u>23,363</u>	<u>111,477</u>	<u>27,565</u>	<u>34,317</u>	<u>26,970</u>	<u>15,694</u>	<u>30,990</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers		111,477		34,317	26,970	15,694	
Purchased prof. and technical services							
Other purchased services							
General supplies	23,363						
Textbooks							
Other objects							
Total instruction	<u>23,363</u>	<u>111,477</u>	<u>27,565</u>	<u>34,317</u>	<u>26,970</u>	<u>15,694</u>	<u>0</u>
Support services:							
Salaries of program directors							
Salaries of other professional staff							
Personal services- employee benefits							30,990
Purchased professional-educational services							
Purchased technical services							
Miscellaneous purchased services							
Travel							
Leases/Rentals							
Supplies and materials							
Other objects							
Total support services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,990</u>
Facilities acquisition and const. serv.:							
Instructional equipment							
Noninstructional equipment							
Total facilities acquisition and construction services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Transfer to charter schools							
Total expenditures	<u>23,363</u>	<u>111,477</u>	<u>27,565</u>	<u>34,317</u>	<u>26,970</u>	<u>15,694</u>	<u>30,990</u>

TOWNSHIP OF EGG HARBOR
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2009

	Nonpublic Technology Aid	Carryover Character Education	Total State Funds	I.D.E.A. Part - B Basic	Carryover I.D.E.A. Part - B Basic	I.D.E.A Special Education Self- Assessment	Carryover I.D.E.A. Part - B Preschool
REVENUES:							
State Sources	16,838	5,988	293,202	1,337,162	238,697	8,093	57,565
Federal Sources							
Local Sources							
Total revenues	<u>16,838</u>	<u>5,988</u>	<u>293,202</u>	<u>1,337,162</u>	<u>238,697</u>	<u>8,093</u>	<u>57,565</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers			0	95,423	95,660		45,010
Purchased prof. and technical services			216,023	39,615			
Other purchased services			0	1,013,936	73,536		9,112
General supplies	1,363	5,988	7,351		9,359		
Textbooks			23,363				
Other objects			0				
Total instruction	<u>1,363</u>	<u>5,988</u>	<u>246,737</u>	<u>1,148,974</u>	<u>178,555</u>	<u>0</u>	<u>54,122</u>
Support services:							
Salaries of program directors			0	54,351	48,011	5,927	
Salaries of other professional staff			0				
Personal services- employee benefits			0	11,458	10,991		3,443
Purchased professional-educational services			30,990				
Purchased technical services			0	121,702	1,140	2,166	
Miscellaneous purchased services			0				
Travel			0				
Leases/Rentals			0				
Supplies and materials			0	677			
Other objects			0				
Total support services	<u>0</u>	<u>0</u>	<u>30,990</u>	<u>188,188</u>	<u>60,142</u>	<u>8,093</u>	<u>3,443</u>
Facilities acquisition and const. serv.:							
Instructional equipment	15,475		15,475				
Noninstructional equipment			0				
Total facilities acquisition and construction services	<u>15,475</u>	<u>0</u>	<u>15,475</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Transfer to charter schools			0				
Total expenditures	<u>16,838</u>	<u>5,988</u>	<u>293,202</u>	<u>1,337,162</u>	<u>238,697</u>	<u>8,093</u>	<u>57,565</u>

TOWNSHIP OF EGG HARBOR
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2009

	Title I Part A	Carryover Title I Part A	Title I SIA	Carryover Title I SIA	Title II Part A	Title II Part D	Carryover Title II Part A
REVENUES:							
State Sources	347,975	113,891	8,565	2,500	74,753	2,724	91,923
Federal Sources							
Local Sources							
Total revenues	<u>347,975</u>	<u>113,891</u>	<u>8,565</u>	<u>2,500</u>	<u>74,753</u>	<u>2,724</u>	<u>91,923</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers	214,848	58,937			29,202		8,880
Purchased prof. and technical services	33,539						
Other purchased services			6,875			2,648	
General supplies	1,482	2,929					
Textbooks							
Other objects							
Total instruction	<u>249,869</u>	<u>61,866</u>	<u>6,875</u>	<u>0</u>	<u>29,202</u>	<u>2,648</u>	<u>8,880</u>
Support services:							
Salaries of program directors	20,085	42,511			3,378		67,143
Salaries of other professional staff							
Personal services- employee benefits	33,916	8,537			4,732		5,816
Purchased professional-educational services							
Purchased technical services	24,000	977			7,332		9,238
Miscellaneous purchased services	18,889		1,690	2,500	9,139		
Travel							
Leases/Rentals							
Supplies and materials	1,216				20,970	76	846
Other objects							
Total support services	<u>98,106</u>	<u>52,025</u>	<u>1,690</u>	<u>2,500</u>	<u>45,551</u>	<u>76</u>	<u>83,043</u>
Facilities acquisition and const. serv.:							
Instructional equipment							
Noninstructional equipment							
Total facilities acquisition and construction services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Transfer to charter schools							
Total expenditures	<u>347,975</u>	<u>113,891</u>	<u>8,565</u>	<u>2,500</u>	<u>74,753</u>	<u>2,724</u>	<u>91,923</u>

TOWNSHIP OF EGG HARBOR
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2009

	Title III English Language Enhancement	Carryover Title III ELH	Title III Immigration	Carryover Title III Immigration	Title IV, Part A Drug Free Schools	Carryover Title IV, Part A Drug Free Schools	Title V Innovative Programs	Carryover Title V Innovative Programs
REVENUES:								
State Sources	80,386	1,409	34,750	14,197	9,684	6,065		6,009
Federal Sources								
Local Sources								
Total revenues	<u>80,386</u>	<u>1,409</u>	<u>34,750</u>	<u>14,197</u>	<u>9,684</u>	<u>6,065</u>	<u>0</u>	<u>6,009</u>
EXPENDITURES:								
Instruction:								
Salaries of teachers	51,678		12,403	2,491	8,717	5,398		
Purchased prof. and technical services	3,521		3,645					
Other purchased services								
General supplies	10,408	1,409	16,702	8,983	300			
Textbooks								
Other objects								
Total instruction	<u>65,607</u>	<u>1,409</u>	<u>32,750</u>	<u>11,474</u>	<u>9,017</u>	<u>5,398</u>	<u>0</u>	<u>0</u>
Support services:								
Salaries of program directors				2,353				
Salaries of other professional staff								
Personal services- employee benefits	7,917		949	370	667	413		
Purchased professional-educational services								
Purchased technical services	1,300							
Miscellaneous purchased services			1,051					
Travel								
Leases/Rentals								
Supplies and materials	5,562				9	245		6,009
Other objects								
Total support services	<u>14,779</u>	<u>0</u>	<u>2,000</u>	<u>2,723</u>	<u>676</u>	<u>658</u>	<u>0</u>	<u>6,009</u>
Facilities acquisition and const. serv.:								
Instructional equipment								
Noninstructional equipment								
Total facilities acquisition and construction services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Transfer to charter schools								
Total expenditures	<u>80,386</u>	<u>1,409</u>	<u>34,750</u>	<u>14,197</u>	<u>9,693</u>	<u>6,056</u>	<u>0</u>	<u>6,009</u>

TOWNSHIP OF EGG HARBOR
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2009

	Leam & Serve America: School Based Programs	Carryover Leam & Serve America: School Based Programs	Carl D. Perkins Vocational	Total Federal Funds	Dodge Foundation	Workforce Investment Board (WIB)	Youth Organized for Disaster Assistance YODA	Total All Other Funds	Totals
REVENUES:									
State Sources	18,035	1,448	51,801	2,507,632	8,792	103,591	11,858	124,241	293,202
Federal Sources									2,507,632
Local Sources	18,035	1,448	51,801	2,507,632	8,792	103,591	11,858	124,241	2,925,075
Total revenues									
EXPENDITURES:									
Instruction:									
Salaries of teachers	2,742		4,062	635,451		62,314	510	62,824	698,275
Purchased prof. and technical services			1,321	81,641		35,325		35,325	332,989
Other purchased services	1,000			1,097,584				0	1,097,584
General supplies	2,084	220	3,500	66,899	8,792	1,185	8,565	18,542	92,792
Textbooks				0				0	23,363
Other objects			10,075	10,075				0	10,075
Total instruction	5,826	220	18,958	1,891,650	8,792	98,824	9,075	116,691	2,255,078
Support services:									
Salaries of program directors				243,759				0	243,759
Salaries of other professional staff			16,225	16,225			500	500	16,725
Personal services- employee benefits			1,552	90,761		4,767		4,767	95,528
Purchased professional-educational services				0				0	30,990
Purchased technical services				158,617				0	158,617
Miscellaneous purchased services			3,008	45,515				0	45,515
Travel	1,415	155	12,058	13,628			150	150	13,778
Leases/Rentals				0				0	0
Supplies and materials	608	273		36,491				2,133	38,624
Other objects	309	1,720		2,029				0	2,029
Total support services	2,332	2,148	32,843	607,025	0	4,767	2,783	7,550	645,565
Facilities acquisition and const. serv.:									
Instructional equipment	8,957			8,957				0	24,432
Noninstructional equipment				0				0	0
Total facilities acquisition and construction services	8,957	0	0	8,957	0	0	0	0	24,432
Transfer to charter schools				0				0	0
Total expenditures	17,115	2,368	51,801	2,507,632	8,792	103,591	11,858	124,241	2,925,075

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CAPITAL PROJECTS FUND

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
Year Ended June 30, 2009

Number	Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Unexpended Balance
				Prior Years	Current Year	
SP#200324	Construction of elementary school	3/28/00	21,670,374	21,352,553	63,510	254,311
SP#1310-N02-05-1000	Construction of elementary school Davenport Campus	1/25/05	12,452,244	12,452,244		
SP#1310-N03-05-1000	Slaybaugh Campus	1/25/05	12,452,244	12,452,244		
SP#1310-005-04-1000	New construction and rehabilitation at the High School	1/25/05	30,191,425	22,849,071		7,342,354
SP#1310-034-05-1000	Intermediate School Addition and Alterations	1/27/05	5,226,174	5,166,190	36,558	23,426
SP#1310-005-05-1000	Installation of Security System at the High School	3/9/05	302,695	302,630		65
SP#1310-033-08-1000	Various Repairs and Renovations at Davenport Elementary	4/15/08	5,226,777	71,280	2,115,588	3,039,909
SP#1310-035-08-1000	Slaybaugh Elementary		4,391,664	62,371	1,272,063	3,057,230
SP#1310-034-08-1000	Alder Avenue Middle School		2,581,224	31,187	1,549,155	1,000,882
SP#1310-039-08-1000	Fernwood Avenue Middle School		4,958,800	44,951	4,322,384	591,465
SP#1310-050-08-1000	Swift Elementary School		1,903,196	44,550	97,352	1,761,294
SP#1310-045-08-1000	Miller Elementary School		2,287,280	50,490	145,325	2,091,465
SP#1310-005-08-1000	Egg Harbor Township High School		7,857,604	117,730	319,385	7,420,489
N/A	School Transportation Depot		150,000		75,282	74,718
Totals			<u>\$111,651,701</u>	<u>74,997,491</u>	<u>9,996,602</u>	<u>26,657,608</u>

Township of Egg Harbor School District
Capital Projects Fund

Summary Schedule of Projects Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2009

Revenues and other Financing Sources

State sources -	
School Construction Corporation Grant	0
NJ Department of Treasury Grant	0
NJ Economic Development Authority	0
Bond proceeds and transfers	0
Township of Egg Harbor	0
Transfer from capital reserve	1,431,704
Transfer from capital outlay	0
Total revenues	<u>1,431,704</u>

Expenditures and other Financing Uses

Purchased professional and technical services	694,465
Legal services	21,528
Land and improvements	0
Construction services	9,280,609
Equipment purchases	0
Total expenditures	<u>9,996,602</u>

Excess (deficiency) of revenues over (under) expenditures (8,564,898)

Fund balance - beginning 35,222,506

Fund balance - ending \$26,657,608

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Construction of Dr. Joyanne D. Miller Elementary School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	21,670,374		21,670,374	21,670,374
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>21,670,374</u>	<u>0</u>	<u>21,670,374</u>	<u>21,670,374</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	74,592		74,592	
Legal services		21,528	21,528	
Contingency	39,575		39,575	
Construction services	20,468,172	41,982	20,510,154	
Furniture & equipment purchases	770,214		770,214	
Total expenditures	<u>21,352,553</u>	<u>63,510</u>	<u>21,416,063</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>317,821</u>	<u>(63,510)</u>	<u>254,311</u>	<u>21,670,374</u>

Additional project information:

Project number	SP-200324
Grant Date	N/A
Bond Authorization Date	3/28/00
Bonds Authorized	21,800,000
Bonds Issued	21,800,000
Original Authorized Cost	21,800,000
Additional/Reduction in Authorized Cost	(129,626)
Revised Authorized Cost	21,670,374

Percentage Increase over Original Authorized Cost	-0.59%
Percentage Completion	100.00%
Original target completion date	9/1/03
Revised target completion date	9/1/03

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 New Elementary School (Davenport Campus)
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant	\$7,242,138		7,242,138	7,242,138
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	5,210,106		5,210,106	5,210,106
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>12,452,244</u>	<u>0</u>	<u>12,452,244</u>	<u>12,452,244</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	402,318		402,318	
Legal services	11,877		11,877	
Contingency			0	
Construction services	12,038,049		12,038,049	
Furniture & equipment purchases			0	
Total expenditures	<u>12,452,244</u>	<u>0</u>	<u>12,452,244</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$0</u>	<u>0</u>	<u>0</u>	<u>12,452,244</u>
Additional project information:				
Project number	1310-N02-05-1000			
Grant date	2/18/05			
Bond Authorization Date	1/25/05			
Bonds Authorized	5,210,106			
Bonds Issued	5,210,000			
Original Authorized Cost	12,452,244			
Additional Authorized Cost	0			
Revised Authorized Cost	12,452,244			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	6/30/07			
Revised target completion date	9/1/07			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 New Elementary School (Slaybaugh Campus)
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant	\$7,242,138		7,242,138	7,242,138
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	5,210,106		5,210,106	5,210,106
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>12,452,244</u>	<u>0</u>	<u>12,452,244</u>	<u>12,452,244</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	394,586		394,586	
Legal services	11,877		11,877	
Contingency			0	
Construction services	12,045,781		12,045,781	
Furniture & equipment purchases			0	
Total expenditures	<u>12,452,244</u>	<u>0</u>	<u>12,452,244</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$0</u>	<u>0</u>	<u>0</u>	<u>12,452,244</u>
Additional project information:				
Project number	1310-N03-05-1000			
Grant date	2/18/05			
Bond Authorization Date	1/25/05			
Bonds Authorized	5,210,106			
Bonds Issued	5,210,000			
Original Authorized Cost	12,452,244			
Additional Authorized Cost	0			
Revised Authorized Cost	12,452,244			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	6/30/07			
Revised target completion date	9/1/07			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 New Construction and Rehabilitation at the High School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant	\$17,559,121		17,559,121	17,559,121
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	12,632,304		12,632,304	12,632,304
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>30,191,425</u>	<u>0</u>	<u>30,191,425</u>	<u>30,191,425</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	836,862		836,862	
Legal services	28,798		28,798	
Contingency			0	
Construction services	21,983,411	0	21,983,411	
Furniture & equipment purchases			0	
Total expenditures	<u>22,849,071</u>	<u>0</u>	<u>22,849,071</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$7,342,354</u>	<u>0</u>	<u>7,342,354</u>	<u>30,191,425</u>
Additional project information:				
Project number	1310-005-04-1000			
Grant date	2/18/05			
Bond Authorization Date	1/25/05			
Bonds Authorized	12,632,304			
Bonds Issued	12,632,000			
Original Authorized Cost	30,191,425			
Additional Authorized Cost	0			
Revised Authorized Cost	30,191,425			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	75.68%			
Original target completion date	2/28/08			
Revised target completion date	1/1/10			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Intermediate (Alder Avenue Middle) School Additions and Alterations
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant	\$786,000		786,000	786,000
NJ Economic Development Authority			0	
Bond proceeds and transfers			0	
Township of Egg Harbor			0	
Transfer from capital reserve	1,584,221		1,584,221	
Transfer from capital outlay	2,855,953		2,855,953	2,855,953
Total revenues	<u>5,226,174</u>	<u>0</u>	<u>5,226,174</u>	<u>3,641,953</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	490,818	3,975	494,793	
Legal services			0	
Contingency			0	
Construction services	4,675,372	32,583	4,707,955	
Furniture & equipment purchases			0	
Total expenditures	<u>5,166,190</u>	<u>36,558</u>	<u>5,202,748</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$59,984</u>	<u>(36,558)</u>	<u>23,426</u>	<u>3,641,953</u>
Additional project information:				
Project number	1310-034-05-1000			
Grant date	1/27/05			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	4,095,476			
Additional Authorized Cost	1,473,390			
Revised Authorized Cost	5,568,866			
Percentage Increase over Original Authorized Cost	35.98%			
Percentage Completion	99.55%			
Original target completion date	6/30/06			
Revised target completion date	6/30/08			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Installation of Security System at the High School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority	\$98,984		98,984	98,984
Bond proceeds and transfers			0	
Township of Egg Harbor	100,000		100,000	100,000
Transfer from capital reserve			0	
Transfer from capital outlay	103,711		103,711	103,711
Total revenues	<u>302,695</u>	<u>0</u>	<u>302,695</u>	<u>302,695</u>
Expenditures and other Financing Uses				
Purchased professional and technical services			0	
Legal services			0	
Contingency			0	
Construction services	302,630		302,630	
Furniture & equipment purchases			0	
Total expenditures	<u>302,630</u>	<u>0</u>	<u>302,630</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$65</u>	<u>0</u>	<u>65</u>	<u>302,695</u>
Additional project information:				
Project number	1310-005-05-1000			
Grant date	3/9/05			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	202,695			
Additional Authorized Cost	0			
Revised Authorized Cost	202,695			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	99.98%			
Original target completion date	9/30/05			
Revised target completion date	9/30/07			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Davenport Elementary School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	5,226,777		5,226,777	5,226,777
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>5,226,777</u>	<u>0</u>	<u>5,226,777</u>	<u>5,226,777</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	71,205	143,517	214,722	
Legal services	75		75	
Contingency			0	
Construction services		1,972,071	1,972,071	
Furniture & equipment purchases			0	
Total expenditures	<u>71,280</u>	<u>2,115,588</u>	<u>2,186,868</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$5,155,497</u>	<u>(2,115,588)</u>	<u>3,039,909</u>	<u>5,226,777</u>
Additional project information:				
Project number	01-1310-033-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	5,226,777			
Bonds Issued	0			
Original Authorized Cost	5,226,777			
Additional Authorized Cost	0			
Revised Authorized Cost	5,226,777			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	41.84%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Slaybaugh Elementary School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	4,391,664		4,391,664	4,391,664
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>4,391,664</u>	<u>0</u>	<u>4,391,664</u>	<u>4,391,664</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	62,305	60,002	122,307	
Legal services	66		66	
Contingency			0	
Construction services		1,212,061	1,212,061	
Furniture & equipment purchases			0	
Total expenditures	<u>62,371</u>	<u>1,272,063</u>	<u>1,334,434</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$4,329,293</u>	<u>(1,272,063)</u>	<u>3,057,230</u>	<u>4,391,664</u>
Additional project information:				
Project number	01-1310-035-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	4,391,664			
Bonds Issued	0			
Original Authorized Cost	4,391,664			
Additional Authorized Cost	0			
Revised Authorized Cost	4,391,664			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	30.39%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Alder Avenue Middle School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	2,581,224		2,581,224	2,581,224
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>2,581,224</u>	<u>0</u>	<u>2,581,224</u>	<u>2,581,224</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	31,153	80,625	111,778	
Legal services	34		34	
Contingency			0	
Construction services		1,468,530	1,468,530	
Furniture & equipment purchases			0	
Total expenditures	<u>31,187</u>	<u>1,549,155</u>	<u>1,580,342</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$2,550,037</u>	<u>(1,549,155)</u>	<u>1,000,882</u>	<u>2,581,224</u>
Additional project information:				
Project number	01-1310-034-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	2,581,224			
Bonds Issued	0			
Original Authorized Cost	2,581,224			
Additional Authorized Cost	0			
Revised Authorized Cost	2,581,224			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	61.22%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Fernwood Avenue Middle School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	4,958,800		4,958,800	4,958,800
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>4,958,800</u>	<u>0</u>	<u>4,958,800</u>	<u>4,958,800</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	44,904	184,006	228,910	
Legal services	47		47	
Contingency			0	
Construction services		4,138,378	4,138,378	
Furniture & equipment purchases			0	
Total expenditures	<u>44,951</u>	<u>4,322,384</u>	<u>4,367,335</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$4,913,849</u>	<u>(4,322,384)</u>	<u>591,465</u>	<u>4,958,800</u>
Additional project information:				
Project number	01-1310-039-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	4,958,800			
Bonds Issued	0			
Original Authorized Cost	4,958,800			
Additional Authorized Cost	0			
Revised Authorized Cost	4,958,800			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	88.07%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Swift Elementary School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	1,903,196		1,903,196	1,903,196
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>1,903,196</u>	<u>0</u>	<u>1,903,196</u>	<u>1,903,196</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	44,503	38,529	83,032	
Legal services	47		47	
Contingency			0	
Construction services		58,823	58,823	
Furniture & equipment purchases			0	
Total expenditures	<u>44,550</u>	<u>97,352</u>	<u>141,902</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$1,858,646</u>	<u>(97,352)</u>	<u>1,761,294</u>	<u>1,903,196</u>
Additional project information:				
Project number	01-1310-050-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	1,903,196			
Bonds Issued	0			
Original Authorized Cost	1,903,196			
Additional Authorized Cost	0			
Revised Authorized Cost	1,903,196			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	7.46%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at Miller Elementary School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	2,287,280		2,287,280	2,287,280
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>2,287,280</u>	<u>0</u>	<u>2,287,280</u>	<u>2,287,280</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	50,437	49,097	99,534	
Legal services	53		53	
Contingency			0	
Construction services		96,228	96,228	
Furniture & equipment purchases			0	
Total expenditures	<u>50,490</u>	<u>145,325</u>	<u>195,815</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$2,236,790</u>	<u>(145,325)</u>	<u>2,091,465</u>	<u>2,287,280</u>
Additional project information:				
Project number	01-1310-045-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	2,287,280			
Bonds Issued	0			
Original Authorized Cost	2,287,280			
Additional Authorized Cost	0			
Revised Authorized Cost	2,287,280			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	8.56%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at the High School
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	6,425,900		6,425,900	6,425,900
Township of Egg Harbor			0	
Transfer from capital reserve		1,431,704	1,431,704	1,431,704
Transfer from capital outlay			0	
Total revenues	<u>6,425,900</u>	<u>1,431,704</u>	<u>7,857,604</u>	<u>7,857,604</u>
Expenditures and other Financing Uses				
Purchased professional and technical services	117,606	124,790	242,396	
Legal services	124		124	
Contingency			0	
Construction services		194,595	194,595	
Furniture & equipment purchases			0	
Total expenditures	<u>117,730</u>	<u>319,385</u>	<u>437,115</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$6,308,170</u>	<u>1,112,319</u>	<u>7,420,489</u>	<u>7,857,604</u>
Additional project information:				
Project number	01-1310-005-08-1000			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	6,425,900			
Bonds Issued	0			
Original Authorized Cost	6,425,900			
Additional Authorized Cost	1,431,704			
Revised Authorized Cost	7,857,604			
Percentage Increase over Original Authorized Cost	22.28%			
Percentage Completion	5.56%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

Township of Egg Harbor School District
 Capital Projects Fund
 Schedule of Projects Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Repairs and Renovations at the School Transportation Depot
 From Inception and for the Year Ended June 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and other Financing Sources				
State sources -				
School Construction Corporation Grant			0	
NJ Department of Treasury Grant			0	
NJ Economic Development Authority			0	
Bond proceeds and transfers	150,000		150,000	150,000
Township of Egg Harbor			0	
Transfer from capital reserve			0	
Transfer from capital outlay			0	
Total revenues	<u>150,000</u>	<u>0</u>	<u>150,000</u>	<u>150,000</u>
Expenditures and other Financing Uses				
Purchased professional and technical services		9,924	9,924	
Legal services			0	
Contingency			0	
Construction services		65,358	65,358	
Furniture & equipment purchases			0	
Total expenditures	<u>0</u>	<u>75,282</u>	<u>75,282</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$150,000</u>	<u>(75,282)</u>	<u>74,718</u>	<u>150,000</u>
Additional project information:				
Project number	N/A			
Grant date	N/A			
Bond Authorization Date	4/15/08			
Bonds Authorized	150,000			
Bonds Issued	0			
Original Authorized Cost	150,000			
Additional Authorized Cost	0			
Revised Authorized Cost	150,000			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	50.19%			
Original target completion date	6/30/09			
Revised target completion date	6/30/09			

PROPRIETARY FUNDS

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Enterprise Funds
Combining Balance Sheet
June 30, 2009

G-1

	Latchkey Program (Non-Major Fund)	Total (Non-Major Fund)
ASSETS:		
Cash and cash equivalents	\$327,316	327,316
Accounts Receivable:		
State		
Federal		
Interfunds		
Inventories		
Total Current Assets	327,316	327,316
Fixed Assets:		
Equipment		
Accumulated depreciation		
Total fixed assets	0	0
Total assets	327,316	327,316
 LIABILITIES AND FUND EQUITY:		
Current liabilities:		
Interfund payable	8,792	8,792
Accounts payable	92	92
Capital lease payable		
Total current liabilities	8,884	8,884
Noncurrent liabilities:		
Compensated absences		
Total current liabilities	0	0
Total liabilities	8,884	8,884
Unreserved retained earnings	318,432	318,432
Total fund equity	318,432	318,432
Total liabilities and fund equity	\$327,316	327,316

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses
and Changes in Retained Earnings/Fund Balance
For the Fiscal Year ended June 30, 2009

	Non-Major Funds		Total Non-Major Funds
	Supplemental Education Services (SES)	Latchkey Program	
OPERATING REVENUES:			
Local Sources:			
Latchkey program revenue		402,202	402,202
Total Operating Revenues	0	402,202	402,202
OPERATING EXPENSES:			
Salaries	14,196	288,260	302,456
Employee benefits		29,413	29,413
Supplies & Materials		63,297	63,297
Total operating expenses	14,196	380,970	395,166
Operating income/(loss)	(14,196)	21,232	7,036
Nonoperating revenues:			
Federal sources			
Supplemental Education Services	14,196		14,196
Interest revenue		3,077	3,077
Total nonoperating revenues	14,196	3,077	17,273
Net income/(loss)	0	24,309	24,309

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses
and Changes in Retained Earnings/Fund Balance
For the Fiscal Year ended June 30, 2009

	Supplemental Education Services (SES)	Latchkey Program	Total Non-Major Funds
Other financing sources (uses):			
Operating Transfers:			
Net assets, July 1	0	294,123	294,123
	-----	-----	-----
Net assets, June 30	<u>\$0</u>	<u>318,432</u>	<u>318,432</u>

**Township of Egg Harbor School District
Combining Statement of Cash Flows
All Proprietary fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2009**

	Supplemental Education Services (SES) (Non-Major Fund)	Latchkey Program (Non-Major Fund)	Total Non-Major Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		402,202	402,202
Payments to employees	(\$14,196)	(288,260)	(302,456)
Payments for employee benefits		(29,413)	(29,413)
Payments to suppliers		(63,205)	(63,205)
Payments to cost of sales			0
Net cash provided/(used) for operating activities	<u>(14,196)</u>	<u>21,324</u>	<u>7,128</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources			0
Federal Sources	14,196		14,196
Payments from other funds		(3,560)	(3,560)
Operating subsidies and transfers to other funds			0
Net cash provided by non-capital financing activities	<u>14,196</u>	<u>(3,560)</u>	<u>10,636</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of capital assets			0
Net cash (used) by capital financing activities	<u>0</u>	<u>0</u>	<u>0</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends		3,077	3,077
Net cash provided by investing activities	<u>0</u>	<u>3,077</u>	<u>3,077</u>
Net increase in cash and cash equivalents	0	20,841	20,841
Balances—beginning of year		306,475	306,475
Balances—end of year	<u>\$0</u>	<u>327,316</u>	<u>327,316</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income/(loss)	(\$14,196)	21,232	7,036
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities			
Increase/(Decrease) in accounts payable		92	92
Total adjustments	<u>0</u>	<u>92</u>	<u>92</u>
Net cash provided/(used) for operating activities	<u>(\$14,196)</u>	<u>21,324</u>	<u>7,128</u>

FIDUCIARY FUNDS

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Fiduciary Net Assets
June 30, 2009

H-1

	Expendable Trust	Student Activity	Agency Conduit	Payroll	Total
ASSETS:					
Cash and cash equivalents	626,875	320,253	67,857	723,993	1,738,978
Due from payroll agency	36,421				36,421
Total Assets	<u>663,296</u>	<u>320,253</u>	<u>67,857</u>	<u>723,993</u>	<u>1,775,399</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Payroll deductions and withholdings				687,572	687,572
Due to unemployment trust				36,421	36,421
Due to student groups		320,253			320,253
Conduit activities payable			67,857		67,857
Total Liabilities	<u>0</u>	<u>320,253</u>	<u>67,857</u>	<u>723,993</u>	<u>1,112,103</u>
Fund balances:					
Reserved - Expendable Trust	663,296				663,296
Unemployment					
Total fund balances	<u>663,296</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>663,296</u>
Total liabilities and fund balances	<u>663,296</u>	<u>320,253</u>	<u>67,857</u>	<u>723,993</u>	<u>1,775,399</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2009

H-3

	<u>Balance</u>	<u>Cash</u>	<u>Disbursements</u>	<u>Accounts</u>	<u>Balance</u>
	<u>July 1, 2007</u>	<u>Receipts</u>	<u>June 30, 2008</u>	<u>Payable</u>	<u>June 30, 2008</u>
Elementary and Middle Schools	\$134,128	79,000	91,882		121,246
Graduated Classes	24,043	246			24,289
Athletic Fund	37,177	77,909	106,152		8,934
High School Students	193,867	521,301	552,055		163,113
Alternative School (Grades 7-12)	<u>1,795</u>	<u>5,852</u>	<u>4,976</u>		<u>2,671</u>
Total all schools	<u>\$391,010</u>	<u>684,308</u>	<u>755,065</u>	<u>0</u>	<u>320,253</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2009

H-4a

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
ASSETS:				
Cash and cash equivalents	\$630,933	26,987,169	26,894,109	723,993
Total assets	<u>630,933</u>	<u>26,987,169</u>	<u>26,894,109</u>	<u>723,993</u>
LIABILITIES:				
Payroll deductions and withholdings	596,439	26,950,748	26,859,615	687,572
Due to unemployment trust	34,494	36,421	34,494	36,421
Total liabilities	<u>\$630,933</u>	<u>26,987,169</u>	<u>26,894,109</u>	<u>723,993</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Payroll Agency Fund - Conduit
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2009

H-4b

OPERATING REVENUES:

Local sources:

Contributions

76,494

Total operating revenues

76,494

OPERATING EXPENSES:

Purchased professional services

60,051

Supplies and materials

Total operating expenses

60,051

Operating Income

16,443

Fund balances, July 1

51,414

Fund balances, June 30

\$67,857

LONG-TERM DEBT

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

I-1

Long-Term Debt
Schedule of Serial Bonds
June 30, 2009

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2008	Retired	Balance June 30, 2009
			Date	Amount				
School Bonds	5/15/01	56,400,000	7/15/09	355,000	4.750%			
			7/15/10	485,000	5.000%			
			7/15/11	500,000	5.000%	1,620,000	280,000	1,340,000
General Obligation - Refunding Bonds	11/1/02	23,170,000	2/15/10	2,750,000	5.000%			
			2/15/11	2,750,000	5.000%			
			2/15/12	2,745,000	5.000%	10,990,000	2,745,000	8,245,000
General Obligation - Refunding Bonds	10/1/04	50,735,000	7/15/12	1,000,000	3.000%			
			7/15/12	1,560,000	3.250%			
			7/15/13	1,000,000	3.500%			
			7/15/13	1,650,000	3.375%			
			7/15/14	2,750,000	3.500%			
			7/15/15	1,375,000	3.550%			
			7/15/15	1,490,000	3.500%			
			7/15/16	3,020,000	5.500%			
			7/15/17	3,195,000	5.500%			
			7/15/18	3,375,000	5.500%			
			7/15/19	3,570,000	5.500%			
			7/15/20	3,775,000	5.500%			
			7/15/21	3,995,000	5.500%			
			7/15/22	4,220,000	5.500%			
			7/15/23	4,460,000	5.500%			
		7/15/24	4,715,000	5.750%				
		7/15/25	4,985,000	5.750%	50,135,000		50,135,000	

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

I-1

Long-Term Debt
Schedule of Serial Bonds
June 30, 2009

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2008	Retired	Balance June 30, 2009
			Date	Amount				
School Bonds	4/1/05	23,052,000	4/1/10-12	100,000	3.500%			
			4/1/13	650,000	3.625%			
			4/1/14	705,000	3.750%			
			4/1/15	740,000	4.000%			
			4/1/16	780,000	4.000%			
			4/1/17	800,000	4.000%			
			4/1/18	825,000	4.125%			
			4/1/19	825,000	4.250%			
			4/1/20	850,000	4.250%			
			4/1/21	860,000	4.375%			
			4/1/23	860,000	4.500%			
			4/1/24	885,000	4.500%	9,180,000	100,000	9,080,000
General Obligation - Refunding Bonds	12/5/06	15,410,000	4/1/10	60,000	4.000%			
			4/1/11-12	65,000	3.500%			
			4/1/13-14	70,000	3.500%			
			4/1/15	75,000	3.500%			
			4/1/16	75,000	3.750%			
			4/1/17	80,000	4.000%			
			4/1/18-19	85,000	4.000%			
			4/1/20	90,000	4.000%			
			4/1/21	95,000	4.000%			
			4/1/22	955,000	4.000%			
			4/1/23	95,000	3.500%			
			4/1/24	100,000	3.500%			
			4/1/25	1,035,000	3.500%			
			4/1/26	980,000	3.500%			
			4/1/27	2,315,000	3.500%			
			4/1/28	2,515,000	3.500%			
			4/1/29	3,220,000	4.125%			
			4/1/30	3,025,000	4.125%	15,215,000	60,000	15,155,000

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

I-1

Long-Term Debt
Schedule of Serial Bonds
June 30, 2009

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2008	Issued	Retired	Balance June 30, 2009
School Bonds	9/15/08	27,924,000	9/15/12	1,114,000	4.000%				
			9/15/13	1,165,000	4.000%				
			9/15/14	1,220,000	4.000%				
			9/15/15	1,275,000	4.000%				
			9/15/16	1,335,000	4.000%				
			9/15/17	1,400,000	4.000%				
			9/15/18	1,465,000	4.000%				
			9/15/19	1,530,000	4.000%				
			9/15/20	1,605,000	4.000%				
			9/15/21	1,675,000	4.000%				
			9/15/22	1,755,000	4.000%				
			9/15/23	1,835,000	4.000%				
			9/15/24	1,920,000	4.000%				
			9/15/25	2,010,000	4.125%				
			9/15/26	2,105,000	4.200%				
			9/15/27	2,205,000	4.250%				
			9/15/28	2,310,000	4.250%		27,924,000		27,924,000
						<u>\$87,140,000</u>	<u>27,924,000</u>	<u>3,185,000</u>	<u>111,879,000</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations under Capital Leases
June 30, 2009

Series	Date of Inception	Interest Rate Payable	Amount of Original Issue	Amount Outstanding June 30, 2008	Issued Current Year	Retired Current Year	Amount Outstanding June 30, 2009
Blue Bird Type D - 54 passenger buses (18) 10 year obligation	8/19/02	5.450%	1,283,310	565,217		130,263	434,954
Ford E-350 Type D - 54 passenger buses (15)	10/1/03	4.880%	1,033,279	628,108		113,944	514,164
Type D 24 passenger buses (5)	9/1/04	5.800%	378,844	251,183		36,192	214,991
Ford Type C-II Transit Bus with Wheelchair Lift	9/1/04	4.580%	87,882	16,957		16,957	0
Blue Bird Type B 54 passenger buses (2)	9/1/04	4.750%	78,329	19,079		19,079	0
Blue Bird Type D (refinance) 54 passenger buses (22)	8/15/06	4.155%	1,438,805	1,283,515		161,742	1,121,773
Various Equipment	8/15/06	4.138%	391,000	122,942		122,942	0
Blue Bird 24 passenger buses (2)	8/15/06	4.138%	373,000	247,092		79,048	168,044
Blue Bird 54 passenger buses (14)	8/15/06	4.155%	941,000	691,361		74,618	616,743
Blue Bird 54 passenger buses (3) 29 passenger buses (3) 25 passenger bus (1) with wheelchair lift	8/15/07	4.170%	530,000	448,000		74,000	374,000
Blue Bird - 29 passenger buses (3) & various technology equipment	8/7/08	3.750%	700,000		700,000	202,000	498,000
				<u>\$4,273,454</u>	<u>700,000</u>	<u>1,030,785</u>	<u>3,942,669</u>

**Township of Egg Harbor School District
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$4,178,493	0	4,178,493	4,178,493	0
Miscellaneous	4,178,493	0	4,178,493	4,178,493	0
State Sources:					
Debt Service Aid Type II	3,155,704	0	3,155,704	3,155,704	0
Total - State Sources	3,155,704	0	3,155,704	3,155,704	0
Total Revenues	7,334,197	0	7,334,197	7,334,197	0
EXPENDITURES:					
Regular Debt Service:					
Interest	4,172,324	0	4,172,324	4,172,324	0
Redemption of Principal	3,185,000	0	3,185,000	3,185,000	0
Total Regular Debt Service	7,357,324	0	7,357,324	7,357,324	0
Total expenditures	7,357,324	0	7,357,324	7,357,324	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,127)	0	(23,127)	(23,127)	0
Fund Balance, July 1	31,753	0	31,753	31,753	0
Fund Balance, June 30	\$8,626	0	8,626	8,626	0

Recapitulation of Fund Balance:

Designated for Subsequent Year's Expenditures	8,626
Unrestricted Fund Balance	0
	<u>\$8,626</u>

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Statistical Section

Governmental Accounting Standards Board (GASB) requires 10 years of statistical information to be included in the CAFR. Effective with the fiscal year ended June 30, 2003, the District's financial statements are presented in accordance with GASB 34. As a result, 10 years of information may not be available to report.

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TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Net Assets by Component,
Last Seven Fiscal Years
Unaudited

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	56,975,842	59,399,940	41,208,035	39,306,247	38,524,993	65,409,682	68,517,439
Restricted	6,072,419	5,371,242	31,878,493	34,697,055	35,134,539	34,240,661	39,309,721
Unrestricted	(7,114,529)	(8,427,250)	(11,021,150)	(9,456,186)	(9,020,267)	(7,336,108)	(18,155,056)
Total governmental activities net asset	<u>55,933,732</u>	<u>56,343,932</u>	<u>62,065,378</u>	<u>64,547,116</u>	<u>64,639,265</u>	<u>92,314,235</u>	<u>89,672,104</u>
Business-type activities							
Invested in capital assets, net of related debt	58,806	41,340	23,875	8,247	59,631	64,568	154,785
Unrestricted	(149,119)	(62,785)	63,506	77,192	262,480	291,589	511,873
Total business-type activities net assets	<u>(90,313)</u>	<u>(21,445)</u>	<u>87,381</u>	<u>85,439</u>	<u>322,111</u>	<u>356,157</u>	<u>666,658</u>
District-wide							
Invested in capital assets, net of related debt	57,034,648	59,441,280	41,231,910	39,314,494	38,584,624	65,474,250	68,672,224
Restricted	6,072,419	5,371,242	31,878,493	34,697,055	35,134,539	34,240,661	39,309,721
Unrestricted	(7,263,648)	(8,490,035)	(10,957,644)	(9,378,994)	(8,757,787)	(7,044,519)	(17,643,183)
Total district net assets	<u>55,843,419</u>	<u>56,322,487</u>	<u>62,152,759</u>	<u>64,632,555</u>	<u>64,961,376</u>	<u>92,670,392</u>	<u>90,338,762</u>

The District converted to GASB 34 effective with the fiscal year ended June 30, 2003. Based on this, only seven years of information is presented.

Source: CAFR Schedule A-1

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Assets, Last Seven Fiscal Years
Unaudited

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities							
Instruction							
Regular	27,722,472	27,931,280	29,800,740	32,856,171	35,755,679	44,610,760	45,612,915
Special education	5,669,974	6,255,442	7,127,997	8,041,863	9,243,100	10,447,761	10,359,391
Other special education	385,186	1,093,920	1,199,459	1,581,791	1,833,470	2,022,923	2,845,120
Other instruction	985,116	1,044,545	992,905	1,182,748	1,341,128	1,592,984	1,627,343
Nonpublic school programs	141,957	125,122	310,826	331,811	247,722	326,339	271,036
Support Services:							
Tuition	4,174,022	3,772,420	3,357,383	4,669,094	4,326,100	4,617,756	5,339,044
Student & instruction related services	7,319,679	10,202,869	9,370,872	10,675,035	11,211,589	13,284,517	14,216,429
General administrative services	2,517,192	4,377,442	3,178,383	3,497,578	3,824,605	3,984,247	4,064,643
School administrative services	2,578,766	2,981,281	3,159,827	3,507,991	3,874,447	4,100,130	4,312,650
Plant operations and maintenance	6,360,011	12,642,476	12,670,828	10,994,484	12,201,742	14,110,569	15,299,962
Pupil transportation	4,151,058	5,198,189	5,993,442	9,106,023	9,445,930	8,821,333	9,113,711
Special Schools	204,820	86,556	64,819	182,844	198,060	246,120	251,555
Interest on long-term debt	3,776,063	3,777,923	3,258,006	4,577,714	4,385,934	4,245,200	4,411,123
Capital Outlay					309,664		
Total governmental activities expenses	65,986,316	79,489,465	80,485,487	91,205,147	98,199,170	112,410,639	117,724,922
Business-type activities:							
Food service	1,919,675	2,296,649	2,569,631	2,901,381	2,904,526	3,316,662	3,367,972
Child Care	228,458	230,911	284,686	308,349	333,692	379,271	395,166
Total business-type activities expense	2,148,133	2,527,560	2,854,317	3,209,730	3,238,218	3,695,933	3,763,138
Total district expense:	68,134,449	82,017,025	83,339,804	94,414,877	101,437,388	116,106,572	121,488,060
Program Revenues							
Governmental activities:							
Charges for services:							
Special schools	14,759	4,580	10,514	5,725	4,695	4,205	-
Tuition	9,803	22,432	52,002	77,136	54,619	86,606	117,355
Operating grants and contributions	5,137,309	5,803,166	6,742,191	7,860,730	10,608,785	11,423,527	9,126,728
Total governmental activities program revenues	5,161,871	5,830,178	6,804,707	7,943,591	10,668,099	11,514,338	9,244,083

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Assets, Last Seven Fiscal Years
Unaudited

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Business-type activities:							
Charges for services							
Food service	962,429	1,221,618	1,354,105	1,448,147	1,519,027	1,613,890	1,762,168
Child care	219,468	234,542	314,645	379,599	418,344	416,505	402,202
Operating grants and contributions	586,497	701,649	862,330	982,246	1,109,599	1,281,265	1,460,900
Total business type activities program revenues	<u>1,768,394</u>	<u>2,157,809</u>	<u>2,531,080</u>	<u>2,809,992</u>	<u>3,046,970</u>	<u>3,311,660</u>	<u>3,625,270</u>
Total district program revenue:	<u>6,930,265</u>	<u>7,987,987</u>	<u>9,335,787</u>	<u>10,753,583</u>	<u>13,715,069</u>	<u>14,825,998</u>	<u>12,869,353</u>
Net (Expense)/Revenue							
Governmental activities	(60,824,445)	(73,659,287)	(73,680,780)	(83,261,556)	(87,531,071)	(100,896,301)	(108,480,839)
Business-type activities	(379,739)	(369,751)	(323,237)	(399,738)	(191,248)	(384,273)	(137,868)
Total district-wide net expense:	<u>(61,204,184)</u>	<u>(74,029,038)</u>	<u>(74,004,017)</u>	<u>(83,661,294)</u>	<u>(87,722,319)</u>	<u>(101,280,574)</u>	<u>(108,618,707)</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Property taxes levied for general purposes, net	28,803,056	39,816,846	43,235,321	48,685,023	50,843,214	63,222,982	59,739,242
Taxes levied for debt service	2,481,195	3,018,583	3,008,039	4,269,318	4,222,368	4,139,846	4,178,493
Unrestricted grants and contributions	25,933,961	27,947,437	29,449,451	29,749,540	29,933,028	30,931,744	37,998,580
Federal and state aid restricted	4,574,576	3,368,871	3,500,938	3,196,421	3,929,213	3,152,322	3,297,657
Transportation charges		23,860					
Investment earnings	753,614	134,050	316,686	1,332,186	878,240	2,318,742	571,745
Miscellaneous income	170,327	48,173	165,529	242,731	301,994	131,731	280,371
Special items	(141,278)	146,667	146,667	(72,053)	(2,091,837)	25,067,305	157,653
Transfers	(350,000)	(435,000)	(420,405)	(380,000)	(393,000)	(393,401)	(385,033)
Total governmental activities	<u>62,225,451</u>	<u>74,069,487</u>	<u>79,402,226</u>	<u>87,023,166</u>	<u>87,623,220</u>	<u>128,571,271</u>	<u>105,838,708</u>
Business-type activities:							
Investment earnings	10,119	3,651	11,658	17,796	34,920	24,918	7,917
Special items							55,419
Transfers	350,000	435,000	420,405	380,000	393,000	393,401	385,033
Total business-type activities	<u>360,119</u>	<u>438,651</u>	<u>432,063</u>	<u>397,796</u>	<u>427,920</u>	<u>418,319</u>	<u>448,369</u>
Total district-wide	<u>62,585,570</u>	<u>74,508,138</u>	<u>79,834,289</u>	<u>87,420,962</u>	<u>88,051,140</u>	<u>128,989,590</u>	<u>106,287,077</u>

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Net Assets, Last Seven Fiscal Years
Unaudited

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Change in Net Assets							
Governmental activities	1,401,006	410,200	5,721,446	3,761,610	92,149	27,674,970	(2,642,131)
Business-type activities	(19,620)	68,900	108,826	(1,942)	236,672	34,046	310,501
Total district	<u>1,381,386</u>	<u>479,100</u>	<u>5,830,272</u>	<u>3,759,668</u>	<u>328,821</u>	<u>27,709,016</u>	<u>(2,331,630)</u>

The District converted to GASB 34 effective with the fiscal year ended June 30, 2003. Based on this, only seven years of information is presented.

Source: CAFR Schedule A-2

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Seven Fiscal Years
Unaudited

	2003	2004	2005	Fiscal Year Ending June 30, 2006	2007	2008	2009
General Fund							
Reserved	351,252	3,188,935	7,416,626	9,510,351	7,524,256	10,497,827	10,924,049
Unreserved	873,683	852,275	54,480	942,136	1,124,179	1,340,851	(1,002,958)
Total general fund	<u>1,224,935</u>	<u>4,041,210</u>	<u>7,471,106</u>	<u>10,452,487</u>	<u>8,648,435</u>	<u>11,838,678</u>	<u>9,921,091</u>
All Other Governmental Funds							
Reserved	4,212,270	1,175,181	648,949	331,726	2,248,195	924,018	9,141,444
Unreserved, reported in:							
Special revenue fund	(42,133)	(28,577)	(28,577)	(28,577)	(28,577)	(28,577)	-
Capital projects fund	1,484,832	(168,055)	23,164,628	24,458,882	23,090,766	21,886,172	10,102,784
Debt service fund	24,065		(659)	64,370	23,127	8,626	-
Total all other governmental fund	<u>5,679,034</u>	<u>978,549</u>	<u>23,784,341</u>	<u>24,826,401</u>	<u>25,333,511</u>	<u>22,790,239</u>	<u>19,244,228</u>

The District converted to GASB 34 effective with the fiscal year ended June 30, 2003. Based on this, only seven years of information is presented.

Source: CAFR Schedule B-1

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Seven Fiscal Years
Unaudited

	2003	2004	2005	2006	2007	2008	2009
Revenues							
Tax levy	31,284,251	42,835,429	46,243,360	52,954,341	55,065,582	67,362,828	63,917,735
Tuition charges	9,803	22,432	52,002	77,136	54,619	86,606	117,355
Transportation charges		23,860					
Interest earnings	753,614	134,050	316,686	1,332,186	878,240	2,318,742	571,745
Miscellaneous	189,108	63,196	180,460	148,456	306,689	135,936	280,371
Local sources				134,730	16,129	17,232	121,697
State sources	34,179,770	35,343,888	37,602,799	38,424,801	42,079,421	43,014,597	47,695,428
Federal sources	1,462,055	1,765,142	2,085,364	2,347,160	2,375,476	2,475,764	2,605,840
Total revenue	<u>67,878,601</u>	<u>80,187,997</u>	<u>86,480,671</u>	<u>95,418,810</u>	<u>100,776,156</u>	<u>115,411,705</u>	<u>115,310,171</u>
Expenditures							
Instruction							
Regular Instruction	23,115,826	23,038,379	25,378,858	26,400,956	28,151,621	33,128,570	33,559,452
Special education instruction	4,276,842	4,611,468	5,380,544	6,094,441	6,603,506	7,399,402	7,360,619
Other special instruction	289,308	807,090	897,798	1,177,353	1,290,177	1,411,857	2,017,871
Other instruction	709,155	740,207	735,146	888,535	955,992	1,127,189	1,155,686
Nonpublic school programs	141,957	125,122	310,826	331,811	247,722	326,339	271,036
Support Services:							
Tuition	3,014,066	2,561,948	2,213,257	3,275,263	2,689,298	2,950,776	3,364,205
Student & instruction related services	5,571,524	6,608,228	7,172,961	8,215,775	8,407,953	9,765,885	10,418,560
General administrative services	1,854,598	1,899,956	2,315,763	2,524,363	2,682,231	2,716,949	2,775,962
School Administrative services	1,936,612	2,185,551	2,367,237	2,583,967	2,776,309	2,883,757	3,061,745
Plant operations and maintenance	4,772,042	9,245,603	9,471,788	8,201,148	8,599,212	9,872,178	10,704,263
Pupil transportation	3,087,865	3,780,558	4,460,189	7,199,273	7,140,085	6,091,422	6,286,850
Unallocated employee benefits	11,035,165	14,008,922	14,937,251	15,466,418	20,602,086	25,430,478	26,248,423
Special Schools	153,379	59,429	48,737	136,657	140,268	174,998	179,675
Capital outlay	45,845,460	7,258,641	1,246,016	2,832,868	5,728,646	4,264,995	11,211,686
Debt service:							
Principal	3,310,000	2,600,000	3,245,000	2,800,000	2,980,000	3,035,000	3,185,000
Interest and other charges	3,841,159	3,843,258	3,178,276	4,656,069	4,362,454	4,321,538	4,172,324
Total expenditures	<u>112,954,958</u>	<u>83,374,360</u>	<u>83,359,647</u>	<u>92,784,897</u>	<u>103,357,560</u>	<u>114,901,333</u>	<u>125,973,357</u>
Excess (Deficiency) of revenues over (under) expenditures	(45,076,357)	(3,186,363)	3,121,024	2,633,913	(2,581,404)	510,372	(10,663,186)

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Seven Fiscal Years
Unaudited

	2003	2004	2005	2006	2007	2008	2009
Other Financing sources (uses)							
Capital leases (non-budgeted)	2,752,696	1,737,153	483,069	1,769,528	1,645,382	530,000	700,000
Cancellation of prior year payables					32,080		13,137
Bond proceeds	23,170,000		73,787,000				27,924,000
Proceeds of refunding debt		10,715,000			13,572,000		
Payment to refunded debt escrow agent	(23,170,000)	(10,715,000)	(50,735,000)		(13,572,000)		
Prior year expenditure - Connecticut	(144,619)						
Costs of issuance	3,341						
Transfers in	332,000		103,711	1,322,563	3,057,611	60,000	1,431,704
Transfers out	(682,000)	(435,000)	(524,116)	(1,702,563)	(3,450,611)	(453,401)	(1,816,737)
Total other financing sources (uses)	2,261,418	1,302,153	23,114,664	1,389,528	1,284,462	136,599	28,252,104
Net change in fund balances	(42,814,939)	(1,884,210)	26,235,688	4,023,441	(1,296,942)	646,971	17,588,918
Debt service as a percentage of noncapital expenditures	10.66%	8.47%	7.82%	8.29%	7.52%	6.65%	6.41%

The District converted to GASB 34 effective with the fiscal year ended June 30, 2003. Based on this, only seven years of information is presented.

Source: CAFR Schedule B-2

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Adult Evening School		Refund of Prior Year Expenditures	Use of Facilities	Gain/Loss on Sale of Capital Assets	Easement Fees	Sale of Property	Misc.	Total
	Tuition	Tuition							
2000	65,823			5,500			255,000	47,782	374,105
2001	70,249	10,616		16,974				65,962	163,801
2002	70,954	9,698	132,360	11,362				8,773	233,147
2003	11,783	18,775		11,787				65,030	107,375
2004	22,432	4,580		14,211				33,961	75,184
2005	52,002	10,514	47,974	11,474	24,691			81,390	228,045
2006	77,135	5,725	62,804	21,736				58,191	225,591
2007	54,619	4,695	74,997	32,839		170,000		24,158	361,308
2008	86,606	4,205	83,476	7,975				40,280	222,542
2009	117,355	-	259,784	11,587				9,000	397,726

Source: District Records

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qlam	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Class I Railroad	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2000	148,013,325	1,005,446,000	2,852,500	530,400	395,893,800	-	8,400,300	1,561,136,325		15,300	9,869,762	1,571,021,387	1.50	1,671,655,019
2001	147,301,525	1,065,479,800	2,877,500	477,100	401,030,000	-	8,371,800	1,625,537,725	5,301,100	15,300	10,206,427	1,630,458,352	1.53	1,740,640,922
2002	146,224,325	1,166,787,400	3,482,200	508,000	413,563,600	-	8,572,600	1,739,138,125		15,300	9,723,630	1,748,877,055	1.73	1,975,462,617
2003	152,368,925	1,277,318,000	3,357,300	465,200	423,484,900	-	8,452,000	1,865,446,325		15,300	11,304,100	1,876,765,725	2.01	2,214,211,568
2004	170,624,325	1,395,556,600	3,392,900	467,900	423,454,900	-	8,452,000	2,001,948,625		15,300	10,349,696	2,012,313,621	2.21	2,654,767,310
2005	174,390,925	1,550,498,400	3,732,900	477,900	427,746,000	-	8,452,000	2,165,297,525		15,300	8,831,180	2,174,144,005	2.28	3,186,492,752
2006	161,498,900	1,675,678,100	3,272,800	430,100	432,335,600	-	8,452,000	2,281,667,500		15,300	7,006,905	2,288,689,705	2.36	3,994,920,065
2007	159,294,300	1,800,348,500	2,783,000	399,800	444,702,400	-	8,452,000	2,415,980,000		15,300	6,354,500	2,422,349,800	2.53	4,752,501,079
2008	137,144,000	1,911,350,500	3,363,500	508,400	426,413,900	27,295,200	8,210,400	2,514,285,900		15,300	6,382,200	2,520,663,400	2.60	5,294,441,084
2009	125,401,800	1,971,682,300	3,875,800	527,000	423,293,700	28,633,700	8,210,400	2,561,624,700		15,300	7,020,900	2,568,660,900	2.58	5,395,212,980

Source: District records Tax list summary & 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 ordered by the County Board of Taxation

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

b Tax rates are per \$100

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Rate per \$100 of Assessed Value
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Egg Harbor Township Board of Education					
	General			Egg Harbor Township	Atlantic County	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Obligation Debt Service ^b	Total Direct			
2000	1.360	0.142	1.502	0.310	0.560	2.372
2001	1.386	0.142	1.528	0.339	0.568	2.435
2002	1.517	0.213	1.730	0.370	0.580	2.680
2003	1.828	0.182	2.010	0.370	0.580	2.960
2004	2.029	0.182	2.211	0.363	0.610	3.184
2005	2.114	0.163	2.277	0.360	0.610	3.247
2006	2.174	0.182	2.357	0.363	0.639	3.359
2007	2.354	0.172	2.526	0.448	0.605	3.579
2008	2.439	0.163	2.602	0.518	0.605	3.725
2009	2.398	0.182	2.580	0.606	0.624	3.810

Source: District Records and 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 calculation.

- 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.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago
Unaudited

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Shore Mall Associates	35,612,808	1	1.39%	34,083,600	1	2.17%
Cardiff Circle Associates				12,098,100	2	0.77%
Harbor Pines Golf LLC	19,693,806	2	0.77%	5,375,800	9	0.34%
Atlantic City Electric Co.	15,655,591	3	0.61%	11,172,900	3	0.71%
English Creek LLC	14,969,291	4	0.58%	10,242,600	4	0.65%
Bellevue Prop Group (6550 Deililah Rd.)	12,675,801	5	0.49%			
Trocki Hotels, L.P.	10,714,304	6	0.42%	4,153,200	10	0.26%
Lowe's Home Centers, Inc.	9,107,402	7	0.35%			0.00%
Cardiff Center, LLC	7,557,113	8	0.29%			
Home Depot Development Co of MD	7,397,113	9	0.29%	7,397,100	5	0.47%
Fire Road Associates LLC	7,290,210	10	0.28%			
Par-Ruffo Realty co.				6,294,200	6	0.40%
Margate Bridge Company				5,914,000	7	0.38%
Spencer Gifts, Inc.				5,502,800	8	0.35%
Total	<u><u>140,673,438</u></u>		<u><u>5.48%</u></u>	<u><u>102,234,300</u></u>		<u><u>6.51%</u></u>

1,571,021,387

2,568,660,900

Source: District CAFR & Municipal Tax Assessor
 District Total Taxable Value

TOWNSHIP OF EGG HARBOR 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		Collections in Subsequent Years
		Amount	Percentage of Levy	
2000	23,505,458	23,505,458	100%	-
2001	24,969,947	24,969,947	100%	-
2002	28,102,944	28,102,944	100%	-
2003	31,284,251	31,284,251	100%	-
2004	42,835,429	42,835,429	100%	-
2005	46,243,360	46,243,360	100%	-
2006	52,954,341	52,954,341	100%	-
2007	53,934,718	53,934,718	100%	-
2008	67,362,828	67,362,828	100%	-
2009	63,917,735	63,917,735	100%	-

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

Note: 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 is the amount voted upon or certified prior to the end of the school year.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases		Capital Leases				
2000	88,280,000	4,237,785	-	-	92,517,785	0.003%	2,990	
2001	85,885,000	8,989,141	-	-	94,874,141	0.003%	2,981	
2002	83,405,000	6,568,436	-	-	89,973,436	0.003%	2,718	
2003	78,775,000	6,901,011	-	-	85,676,011	0.003%	2,472	
2004	76,175,000	5,999,787	-	-	82,174,787	0.003%	2,253	
2005	94,117,000	3,453,132	-	-	97,570,132	0.003%	2,590	
2006	91,317,000	3,788,173	-	-	95,105,173	0.003%	2,473	
2007	90,175,000	4,631,798	59,618	59,618	94,866,416	0.003%	2,408	
2008	87,140,000	4,273,454	55,419	55,419	91,468,873	0.003%	2,295	
2009	111,879,000	3,942,669	55,965	55,965	115,877,634	0.003%	2,907	

Source: District CAFR Schedules I-1, I-2

Note: 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.

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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2000	88,280,000	-	88,280,000	5.62%	2,853
2001	85,885,000	-	85,885,000	5.27%	2,698
2002	83,405,000	-	83,405,000	4.77%	2,520
2003	78,775,000	-	78,775,000	4.20%	2,273
2004	76,175,000	-	76,175,000	3.79%	2,088
2005	94,117,000	-	94,117,000	4.33%	2,498
2006	91,317,000	-	91,317,000	3.99%	2,374
2007	90,175,000	-	90,175,000	3.72%	2,289
2008	87,140,000	-	87,140,000	3.46%	2,186
2009	111,879,000	-	111,879,000	4.36%	2,807

Note: 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-13.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2009
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Egg Harbor	37,194,515	100.00%	37,194,515
Other debt			
Egg Harbor Township Golf Corporation	10,235,000	100.00%	10,235,000
Atlantic County	82,194,000	9.11%	7,486,483
Subtotal, overlapping debt			54,915,998
Township of Egg Harbor School District debt	111,879,000	100.00%	111,879,000
Total direct and overlapping debt			<u><u>166,794,998</u></u>

Sources: Township of Egg Harbor Finance Officer and Atlantic County Finance Office

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 Egg Harbor. 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.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2009

	Average equalized valuation of taxable property									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	61,572,514	63,436,635	67,309,635	73,890,283	85,057,391	99,867,311	122,328,896	149,201,964	177,740,688	197,042,918
Total net debt applicable to limit	88,280,000	85,885,000	83,405,000	78,775,000	76,175,000	94,117,000	91,317,000	90,175,000	87,140,000	111,879,000
Legal debt margin	<u>(26,707,486)</u>	<u>(22,448,365)</u>	<u>(16,095,365)</u>	<u>(4,884,717)</u>	<u>8,882,391</u>	<u>5,750,311</u>	<u>31,011,896</u>	<u>59,026,964</u>	<u>90,600,688</u>	<u>85,163,918</u>
Total net debt applicable to the limit as a percentage of debt limit	143.38%	135.39%	123.91%	106.61%	89.56%	94.24%	74.65%	60.44%	49.03%	56.78%

	Equalized valuation basis			
	2008	2007	2006	
Debt limit (4% of average)	5,227,205,613	5,074,522,159	4,476,491,073	
Net bonded school debt	<u>111,879,000</u>	<u>111,879,000</u>	<u>14,778,218,845</u>	
Legal debt margin	<u>4,926,072,948</u>	<u>197,042,918</u>	<u>85,163,918</u>	

Source: Abstract of Ratables and District Records CAFR Schedule J-11

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2000	30,946	975,604	31,526	4.60%
2001	31,830	983,324	30,893	4.40%
2002	33,101	1,035,399	31,280	5.40%
2003	34,661	1,102,497	31,808	5.70%
2004	36,475	1,193,170	32,712	5.00%
2005	37,677	1,278,155	33,924	4.20%
2006	38,458	1,356,644	35,276	4.20%
2007	39,392	1,430,914	36,325	4.80%
2008	39,863	1,448,023	36,325	5.10%
2009	39,863	1,448,023	36,325	6.20%

Source:

a Population information provided by the NJ Dept of Labor and Workforce Development

b Personal income is calculated by multiplying per capita income by the population

b Per Capita Income US Department of Commerce, Bureau of Economic Analysis, April 25, 2006

d Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago
Unaudited

Employer	2008			2000		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Federal Aviation Administration	3,500	1	16%	Information not available		0.00%
Egg Harbor Township School District	1,168	2	5%			0.00%
AtlantiCare	546	3	3%			0.00%
Air National Guard	400	4	2%			0.00%
Boscov's	275	5	1%			0.00%
U.S. Coast Guard	255	6	1%			0.00%
Home Depot	248	7	1%			0.00%
Egg Harbor Township	246	8	1%			0.00%
Spencer Gifts	210	9	1%			0.00%
Lowe's	208	10	1%			0.00%
	<u>7,056</u>		<u>33%</u>	<u>-</u>		<u>-</u>

GASB requires this table present the principal taxpayers for the current year and nine years ago, however information from 2000 was not available. Also, the Township does not update this information on an annual basis, therefore the most recent information is reported.

Source: Township of Egg Harbor Tax Assessor

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Six 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>
Instruction						
Regular	395.2	409.0	396.9	432.0	484.0	499.6
Special education	80.0	92.0	96.0	98.0	103.2	100.8
Vocational	11.0	12.0	12.0	13.0	15.6	15.4
Other instruction	78.6	76.6	87.6	87.0	99.8	99.8
Support Services:						
Student & instruction related services	128.0	165.0	149.0	142.0	177.0	177.0
General administrative services	7.0	7.0	8.0	8.0	8.0	8.5
School administrative services	43.0	46.0	46.0	46.0	48.0	49.0
Central services	9.0	9.0	10.0	10.0	10.0	10.0
Administrative information technology	6.0	7.0	6.0	6.0	6.0	6.0
Plant operations and maintenance	78.0	73.0	76.0	92.0	104.0	111.0
Pupil transportation	98.0	92.0	107.0	112.0	115.0	115.0
Food Service	53.5	45.0	52.0	47.0	48.0	46.0
Total	<u>987.3</u>	<u>1,033.6</u>	<u>1,046.5</u>	<u>1,093.0</u>	<u>1,218.6</u>	<u>1,238.1</u>

GASB requires this table to present the full-time equivalent district employees by function/program for the current year and the previous nine years, however only six years of information was available.

Source: District Personnel Records

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Pupil/Teacher Ratio											
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2000	5,469	48,028,014	8,782	2.07%	534	13.3:1	12.9:1	10.2:1	5,248	5,028	4.27%	95.81%
2001	5,740	50,735,595	8,839	0.65%	534	12.7:1	12.5:1	9.8:1	5,651	5,365	7.68%	94.94%
2002	6,250	54,994,305	8,799	-0.45%	542	12.6:1	12.2:1	9.7:1	5,955	5,643	5.38%	94.76%
2003	6,402	59,988,339	9,366	6.44%	567	12.2:1	12.5:1	10.3:1	6,402	6,064	7.51%	94.72%
2004	6,940	69,672,461	10,039	7.19%	565	12.2:1	12.2:1	11.5:1	6,742	6,417	5.31%	95.18%
2005	7,289	75,690,355	10,384	3.44%	628	12.6:1	13.0:1	10.7:1	7,027	6,659	4.23%	94.76%
2006	7,513	82,495,960	10,980	5.74%	690	12.5:1	12.3:1	10.9:1	7,287	6,885	3.70%	94.48%
2007	7,869	90,286,460	11,474	4.49%	690	12.5:1	12.7:1	11.0:1	7,490	7,100	2.79%	94.79%
2008	7,982	103,279,800	12,939	12.77%	692	12.5:1	12.7:1	11.0:1	7,579	7,219	1.19%	95.25%
2009	7,978	107,404,347	13,463	4.05%	714	11.0:1	9.85:1	11.4:1	7,633	7,370	0.71%	96.55%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1

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).

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>District Building</u>										
<u>Elementary</u>										
H. Russell Swift School (1956, 1967, 1970, 2003)										
Square Feet	60,696	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229
Capacity (students)	210	525	525	525	525	525	525	525	525	525
Enrollment	445	472	465	N/A	395	407	417	432	504	467
E. H. Slaybaugh School (1970, 1989)										
Square Feet	77,430	77,430	77,430	77,430	77,430	77,430	77,430	77,430	77,430	77,430
Capacity (students)	586	586	586	586	586	586	586	586	586	586
Enrollment	749	764	755	N/A	677	584	557	553	438	426
E. H. Slaybaugh Primary School (2007)										
Square Feet									58,807	58,807
Capacity (students)									500	500
Enrollment									476	487
C. J. Davenport School (1976)										
Square Feet	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718
Capacity (students)	657	657	657	657	657	657	657	657	657	657
Enrollment	650	654	686	N/A	518	554	576	638	412	439
C. J. Davenport Primary School (2007)										
Square Feet									57,646	57,646
Capacity (students)									500	500
Enrollment									418	420
Dr. Joy Miller Elementary School (2003)										
Square Feet				154,538	154,538	154,538	154,538	154,538	154,538	154,538
Capacity (students)				1,194	1,194	1,194	1,194	1,194	1,194	1,194
Enrollment				N/A	1,092	1,170	1,152	1,126	1,170	1,131
<u>Middle School</u>										
Fernwood Avenue (1992)										
Square Feet	203,436	203,436	203,436	203,436	203,436	203,436	203,436	203,439	203,439	203,439
Capacity (students)	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Enrollment	1,045	1,130	1,107	N/A	1,102	1,175	1,214	1,301	1,023	973
Alder Avenue (1992, 2007)										
Square Feet	147,334	147,334	147,334	147,334	147,334	147,334	147,334	147,334	169,174	169,174
Capacity (students)	989	989	989	989	989	989	989	989	1,389	1,389
Enrollment	1,072	1,199	1,181	N/A	1,141	1,193	1,221	1,233	913	897

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>High School</u>										
EHT High School (1983, 2003)	158,537	253,636	253,636	253,636	253,636	253,636	253,636	321,715	321,715	321,715
Square Feet	810	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680	1,680
Capacity (students)	1,348	1,431	1,410	N/A	1,813	1,941	2,146	2,207	2,392	2,478
Enrollment										
<u>Other</u>										
Central Administration Building (1969)										
(vacant as of 9/1/07)										
Square Feet	9,744	9,744	9,744	9,744	9,744	9,744	9,744	9,744	9,744	9,744
District Warehouse (1976)										
Square Feet	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Transportation (1980)										
Square Feet	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495
Maintenance Building (1980)										
Square Feet	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Grounds Building (1980)										
Square Feet	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360
High School Field House (1995)										
Square Feet	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200
Eagle Academy (Leased)										
Square Feet	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924

Number of Schools at June 30, 2009
 Elementary = 5
 Middle School = 1
 High School = 1
 Other = 1

Source: District records, ASSA

Note: Year of original construction, or major renovation, is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities
Last Nine Years
Unaudited

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

School Facilities	Project # (s)	2009	2008	2007	2006	2005	2004	2003	2002	2001
H. Russell Swift Elementary School	N/A	72,019	50,732	50,363	69,876	59,175	75,157	40,247	55,376	46,005
E.H. Slaybaugh Elementary School	N/A	123,376	79,587	163,289	64,953	55,006	43,555	37,811	51,518	42,799
Clayton J. Davenport Elementary School	N/A	113,139	89,109	84,286	75,318	63,783	62,441	43,144	59,694	49,592
Joy D. Miller Elementary School	N/A	108,894	100,540	88,335	132,324	112,059	77,874	-	-	-
Fernwood Avenue Middle School	N/A	149,651	130,167	128,894	170,760	144,609	191,861	135,026	135,355	112,449
Alder Avenue Middle School	N/A	182,960	129,167	103,041	123,687	104,745	95,635	77,814	98,028	81,439
Egg Harbor Township High School	N/A	335,473	285,355	197,851	218,697	185,205	188,207	168,105	168,756	140,197
Total School Facilities		1,085,512	864,657	816,059	855,615	724,582	734,730	502,147	568,727	472,481
Other Facilities		18,801	37,358	26,206	8,119	6,876	3,409	12,894	115,980	96,353
Grand Total		1,104,313	902,015	842,265	863,734	731,458	738,139	515,041	684,707	568,834

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

Insurance Schedule

June 30, 2009

Unaudited

	Coverage	Deductible
Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability	150,000,000	
ACCASBOJIF Self Insured Retention, per occurrence	200,000	
Members District Deductible, per occurrence		500
Perils Included	"All Risk"	
B. Property Valuation		
Buildings and Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Actual Cash Value	
Boiler and Machinery		
A. Limit of Liability	100,000,000	
ACCASBOJIF Self Insured Retention	None	1,000
Members District Deductible		
Crime		
A. Limit of Liability	500,000	
ACCASBOJIF Self Insured Retention	200,000	
Members District Deductible		500
General and Automobile Liability		
A. Limit of Liability	10,000,000	
ACCASBOJIF Self Insured Retention	150,000	
Members District Deductible		None
Workers' Compensation		
A. Limit of Liability	Statutory	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		None
Educator's Legal Liability		
A. Limit of Liability	10,000,000	
ACCASBOJIF Self Insured Retention	100,000	
Members District Deductible		None
Pollution Legal Liability/Mold Legal Liability		
A. Limit of Liability		
Pollution	3,000,000	
Mold	1,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		
Pollution		25,000
Mold		50,000
Flood Policy		
Coverage - Administrative Building	500,000	1,000

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2009
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Storage Tank Systems		
Limit of Liability, each occurrence	1,000,000	5,000
Aggregate	1,000,000	
Student Activity Policy		
All Students and Athletes	5,000,000	None
Student Disability	1,500,000	None
Athletic Disability	1,500,000	None

Source: District Records (Coverage is through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF), Harleysville Insurance Co. of NJ, Zurich American Insurance Company, and Peoples Benefit Life Insurance Company.

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Single Audit Section

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

Honorable President and
Members of the Board of Education
Township of Egg Harbor School District
County of Atlantic, New Jersey

We have audited the 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 Township of Egg Harbor School District, in the County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2009, which collectively comprise the Township of Egg Harbor School District's basic financial statements and have issued our report thereon dated November 2, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Egg Harbor Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Egg Harbor Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board of Education's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Egg Harbor Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 certain matters that we reported to the Board of Education of the Township of Egg Harbor School District in the separate *Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance* dated November 2, 2009.

This report is intended solely for the information and use of the audit committee, management, Board of Education, the New Jersey State Department of Education (the cognizant audit agency) and other state and federal awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Robert E. Swartz, CPA

Robert E. Swartz, CPA
Licensed Public School Accountant
No. CS00667

Swartz & Co., LLC

Swartz & Co., LLC
Certified Public Accountants

November 2, 2009



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND
NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and
Members of the Board of Education
Township of Egg Harbor School District
County of Atlantic, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Township of Egg Harbor School District, in the County of Atlantic, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Grants Compliance Supplement* that are applicable to each of its major federal and state programs for the year ended June 30, 2009. The Township of Egg Harbor Board of Education's major federal and state programs are identified in the *Summary of Auditor's Results Section* of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Township of Egg Harbor Board of Education's management. Our responsibility is to express an opinion on the Township of Egg Harbor Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Egg Harbor Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Egg Harbor Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Township of Egg Harbor School District, in the County of Atlantic, State of New Jersey, complied, in all material respects, with the

requirements referred to above that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2009.

Internal Control Over Compliance

The management of the Board of Education of the Township of Egg Harbor School District 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 Township of Egg Harbor Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Egg Harbor Board of Education's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

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

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

Robert E. Swartz, CPA

Licensed Public School Accountant
No. CS00667

Swartz & Co., LLC

Swartz & Co., LLC
Certified Public Accountants

November 2, 2009

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period	Balance at June 30, 2008	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2009	
											(Accounts Receivable)	Deferred Revenue
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Enterprise Fund:												
Food Distribution Program	10.555		210,342	7/1/08 - 6/30/09			210,342	(210,342)				
National School Breakfast Program	10.553		160,037	7/1/07 - 6/30/08	(30,439)		30,439					
National School Breakfast Program	10.553		160,362	7/1/08 - 6/30/09			125,280	(160,362)		(35,082)		
School Snack Program	10.555		951	7/1/08 - 6/30/09	(155,575)		951	(951)				
National School Lunch Program	10.555		835,077	7/1/07 - 6/30/08	(155,575)		155,575					
National School Lunch Program	10.555		968,949	7/1/08 - 6/30/09	(1,554)		766,505	(958,949)		(192,444)		
Special Milk Program	10.556		9,225	7/1/07 - 6/30/08			1,554			(1,884)		
Special Milk Program	10.556		9,664	7/1/08 - 6/30/09			7,800	(9,664)		(1,864)		
Fresh Fruits and Vegetables	10.562		44,912	7/1/08 - 6/30/09	(187,568)	0	24,984	(44,912)		(19,918)		
Total U.S. Department of Agriculture			0		1,323,440	0	1,385,200	(249,328)	0	0	0	0
U.S. Department of Education												
Passed-through State Department of Education:												
General Fund:												
Medical Assistance Program	93.778	N/A	58,154	7/1/08 - 6/30/09			58,154	(58,154)				
Total U.S. Department of Education			0		0	0	58,154	(58,154)	0	0	0	0
Special Revenue Fund:												
Title I, Part A, Carryover	84.010	NCLB-1310-07	558,810	9/1/06 - 8/31/07	15,859			(15,859)			604	
Title I, Part A, Carryover	84.010	NCLB-1310-08	495,205	9/1/07 - 8/31/08	98,636			(98,636)				
Title I, Part A	84.010	NCLB-1310-08	485,205	9/1/07 - 8/31/08	98,636							
Title I, School Improvement Allocation (SIA)	84.010	NCLB-1310-08	484,683	9/1/08 - 8/31/09	(11,246)		250,926	(347,975)		(97,049)	9,077	
Title I, School Improvement Allocation (SIA)	84.010	NCLB-1310-09	17,127	9/1/08 - 8/31/09			22,823	(2,500)		(8,565)		
Title II, Part A, Carryover	84.367A	NCLB-1310-07	153,099	9/1/06 - 8/31/07	13,134			(91,923)			13,134	
Title II, Part A	84.367A	NCLB-1310-08	151,063	9/1/07 - 8/31/08	93,773			(74,753)			1,850	
Title II, Part A	84.367A	NCLB-1310-09	150,749	9/1/08 - 8/31/09	104		48,987				104	
Title II, Part D, Carryover	84.367D	NCLB-1310-07	3,368	9/1/07 - 8/31/08	1,476			(2,724)			1,476	
Title II, Part D, Carryover	84.367D	NCLB-1310-08	3,368	9/1/07 - 8/31/08	1,476							
Title II, Part D	84.367D	NCLB-1310-09	4,252	9/1/08 - 8/31/09	448		50	(1,409)			448	
Title III, English Language Enhance., Carryover	84.xxx	NCLB-1310-07	48,667	9/1/07 - 8/31/08	1,452			(1,452)			43	
Title III, English Language Enhance., Carryover	84.xxx	NCLB-1310-08	45,507	9/1/07 - 8/31/08	1,452			(80,386)				
Title III, English Language Enhancement	84.xxx	NCLB-1310-09	97,421	9/1/08 - 8/31/09			40,895	(14,197)			8,252	
Title III, Immigrant, Carryover	84.xxx	NCLB-1310-08	36,564	9/1/07 - 8/31/08	22,449			(22,449)				
Title III, Immigrant	84.xxx	NCLB-1310-09	36,564	9/1/08 - 8/31/09			9,720	(34,750)			7	
Title IV Sale and Drug Free Schools, Carryover	84.233	NCLB-1310-07	37,660	9/1/06 - 8/31/07	7			(6,056)			2,273	
Title IV Sale and Drug Free Schools, Carryover	84.233	NCLB-1310-08	22,283	9/1/07 - 8/31/08	8,329			(6,056)				
Title IV Sale and Drug Free Schools	84.233	NCLB-1310-09	24,359	9/1/08 - 8/31/09	8,329		5,081	(9,693)				
Title V, Block Grant, Carryover	84.151	NCLB-1310-06	17,934	9/1/06 - 8/31/07	76			(6,009)			76	
Title V, Block Grant, Carryover	84.151	NCLB-1310-07	15,954	9/1/07 - 8/31/08	7,045						1,036	
Title V, Block Grant	84.151	NCLB-1310-08	9,076	9/1/08 - 8/31/09								
ID.E.A., Part B - Basic, Carryover	84.027	IDEA2006	1,504,476	7/1/06 - 6/30/07	1,280			(1,280)				
ID.E.A., Part B - Basic, Carryover	84.027	IDEA2007	1,616,260	7/1/07 - 6/30/08	302,642			(238,697)			66,655	
ID.E.A., Part B - Basic	84.027	IDEA2008	1,662,510	7/1/08 - 6/30/09	302,642		757,354	(1,337,162)				
ID.E.A., Part B - Preschool, Carryover	84.173	IDEA2006	63,942	7/1/06 - 6/30/07	955			(57,565)			7,554	
ID.E.A., Part B - Preschool, Carryover	84.173	IDEA2007	65,119	7/1/07 - 6/30/08	65,119			(8,093)				
ID.E.A., Part B - Preschool	84.173	IDEA2008	8,093	7/1/08 - 6/30/09	384					(384)		
Carl Perkins Vocational PL #101-392	84.048	PERK012007	64,130	7/1/07 - 6/30/08			37,426	(51,801)				
Carl Perkins Vocational PL #101-392	84.048	PERK012008	51,947	7/1/08 - 6/30/09	(10,132)		12,500	(2,368)				
Learn & Serve America: School Based Programs	94.004	07-CJ09-D02	25,000	10/1/07-9/30/08				(17,115)				
Learn & Serve America: School Based Programs	94.004	08-CJ09-D02	25,000	10/1/08-9/30/09								
Total Special Revenue Fund			0		611,790	0	1,185,762	(2,507,632)	790	(384)	112,589	315
Total Federal Financial Awards			0		424,222	0	2,567,356	(3,950,986)	790	(384)	112,589	315

The accompanying notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this statement.

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program Title	Grant or State Project Number	Award Amount	Grant Period	Balance at June 30, 2008	Carryover Amount	Cash Received	Budgetary Expenditures	Transfer/ Adjustment	Repayment of Prior Year's Balances	(Accounts Receivable)	Deferred Revenue June 30, 2009	Due to Grantor at June 30, 2009	MEMO		
													Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education															
General Fund:															
Equalization Aid	495-034-5120-078	30,582,234	7/10/08-6/30/09			30,582,234	(30,582,234)						2,789,873	30,582,234	
Categorical Transportation Aid	495-034-5120-014	2,689,757	7/10/08-6/30/09			2,689,757	(2,689,757)						243,615	2,689,757	
Categorical Special Education Aid	495-034-5120-089	3,963,446	7/10/08-6/30/09			3,963,446	(3,963,446)						388,975	3,963,446	
Special Education Extraordinary Aid	495-034-5120-084	1,229,024	7/10/08-6/30/09	(128,862)		1,229,024	(1,229,024)						111,314	1,229,024	
Special Education Extraordinary Aid	495-034-5120-473	328,962	7/10/07-6/30/08			328,962	(328,962)			(377,436)				1,228,862	
Special Education Transportation Aid	495-034-5120-473	377,436	7/10/07-6/30/08			377,436	(377,436)							377,436	
Nonpublic School Transportation Aid	N/A	101,895	7/10/08-6/30/09	(101,895)		101,895								101,895	
State Homeless Reimbursement	N/A	90,623	7/10/08-6/30/09			90,623	(90,623)							90,623	
School Bus Crossing Arm	495-034-5120-054	14,816	7/10/07-6/30/08	(14,816)		14,816								14,816	
Reimbursed TPAF Social Security Contributions	495-034-5095-002	3,257,338	7/10/07-6/30/08	(162,656)		162,656		1,400		(168,741)				3,257,338	
Reimbursed TPAF Social Security Contributions	495-034-5095-002	3,400,644	7/10/08-6/30/09			3,231,903	(3,400,644)							3,257,338	
Total General Fund				(409,629)	0	42,104,593	(42,333,164)	1,400	0	(636,600)	0	0	3,483,777	45,837,475	
Special Revenue Fund:															
Targeted At-Risk Aid (TARA)	495-034-5120-005	1,138,500	7/10/07-6/30/08	1,081,575				(1,081,575)						1,081,575	
New Jersey Nonpublic Aid:															
Textbook Aid	100-034-5120-064	27,330	7/10/07-6/30/08	1					(1)			2,087		23,363	
Textbook Aid	100-034-5120-064	25,450	7/10/08-6/30/09			25,450	(23,363)								
Auxiliary Services:															
Compensatory Education	100-034-5120-067	143,328	7/10/07-6/30/08	9,954					(9,954)			8,958		111,477	
Compensatory Education	100-034-5120-067	120,435	7/10/08-6/30/09	2,030		120,435	(111,477)		(2,030)			1,015		27,565	
English as a Second Language (ESL)	100-034-5120-067	2,030	7/10/07-6/30/08			1,015						1,115			
English as a Second Language (ESL)	100-034-5120-067	1,015	7/10/08-6/30/09			28,680	(27,565)								
Transportation	100-034-5120-067	28,680	7/10/08-6/30/09												
Handicapped Services:															
Examination and Classification	100-034-5120-066	47,207	7/10/07-6/30/08	23,693					(23,693)						
Examination and Classification	100-034-5120-066	40,195	7/10/08-6/30/09			40,195	(34,317)		(18,600)			5,878		34,317	
Connective Speech	100-034-5120-066	11,500	7/10/07-6/30/08	18,600								32,550		26,970	
Connective Speech	100-034-5120-066	59,520	7/10/08-6/30/09			59,520	(26,970)		(9,086)			7,434		15,694	
Supplemental Instruction	100-034-5120-066	25,606	7/10/07-6/30/08	9,086											
Supplemental Instruction	100-034-5120-066	23,128	7/10/08-6/30/09			23,128	(15,694)		(1)			1,742		30,990	
Nursing	100-034-5120-070	37,751	7/10/07-6/30/08	1											
Nursing	100-034-5120-070	32,732	7/10/08-6/30/09			32,732	(30,990)		(45)			962		16,838	
Nonpublic Technology Initiative Aid	100-034-5120-373	19,560	7/10/07-6/30/08	45		17,800	(16,838)								
Nonpublic Technology Initiative Aid	100-034-5120-373	17,800	7/10/08-6/30/09	2,299		17,800	(2,299)								
Character Education	100-034-5120-418	17,811	7/10/04-6/30/05	4,473		0	(3,689)								
Character Education	100-034-5120-418	18,784	7/10/05-6/30/06								784				
Total Special Revenue Fund				1,151,757	0	348,955	(293,202)	(1,061,575)	(63,410)	0	784	61,741	0	1,368,769	
Debt Service Fund:															
Debt Service Aid Type II	495-034-5120-017	3,155,704	7/10/08-6/30/09			3,155,704	(3,155,704)							3,155,704	
Total Debt Service Fund				0	0	3,155,704	(3,155,704)	0	0	0	0	0	0	3,155,704	
State Department of Agriculture															
Enterprise Fund:															
State School Lunch Program	100-070-3360-067	46,721	7/10/07-6/30/08	(8,617)		8,617	(49,380)			(9,825)				49,380	
State School Lunch Program	100-070-3360-067	49,380	7/10/08-6/30/09			39,555									
State School Breakfast Program	100-070-3360-096	12,303	7/10/07-6/30/08	(2,437)		2,437	(12,124)			(2,575)				12,124	
State School Breakfast Program	100-070-3360-096	12,124	7/10/08-6/30/09			9,549									
Total State Financial Assistance				731,074	0	45,669,410	(45,843,574)	(1,060,175)	(63,410)	(649,200)	784	61,741	3,483,777	50,423,472	

The accompanying notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this statement.

Township of Egg Harbor Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2009

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, Township of Egg Harbor School District. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

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 GENERAL PURPOSE 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 NJSA 18A:22-44.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with NJSA 18A:22-44.2.

The net adjustment to reconcile from budgetary basis to GAAP basis is (\$2,130,594) for the general fund and \$76,792 for the special revenue fund. See the following schedule and Note 1(D) 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 follows:

**Township of Egg Harbor Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2009**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
State Assistance:					
Actual amounts (budgetary) “revenues” from the Schedule of Expenditures of State Financial Assistance	\$42,333,164	293,202	3,155,704	61,504	45,843,574
Difference – budget to “GAAP”					
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		10,705			10,705
Prior Year TARA funds transferred to the General Fund. Recognized for GAAP purposes but not included in the Schedule of Expenditures of State Financial Assistance.	1,138,500				1,138,500
On-behalf payments recognized for GAAP statements but no included in the Schedule of Expenditures of State Financial Assistance	2,724,217				2,724,217
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).	(2,130,594)	28,577			(2,102,017)
Total State revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$44,065,287</u>	<u>332,484</u>	<u>3,155,704</u>	<u>61,504</u>	<u>47,614,979</u>

**Township of Egg Harbor Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2009**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
Federal Assistance:				
Actual amounts (budgetary) “revenues” from the Schedule of Expenditures of Federal Awards	\$58,154	2,507,632	1,385,200	3,950,986
Difference – budget to “GAAP” Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		40,054		40,054
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balances	\$58,154	2,547,686	1,385,200	3,991,040

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 amounts reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the district for the year ended June 30, 2009 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, 2009.

**TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Part I -- Summary of Auditor's Results

Financial Statement Section

- A) Type of auditor's report issued: Unqualified
- B) 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 none reported
- C) Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

- D) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported
- E) Type of auditor's report on compliance for major programs Unqualified
- F) Any audit findings disclosed that are required to be reported in accordance section 510(a) of OMB Circular A-133? yes X no
- G) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	IDEA Part B, Basic
84.173	IDEA Part B, Preschool

- H) Dollar threshold used to determine Type A programs: \$300,000
- I) Auditee qualified as low-risk auditee? X yes no

**TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Part I -- Summary of Auditor's Results

State Awards Section

- J) Internal Control over compliance:
- 1) Material weakness(es) identified? _____ yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported
- K) Type of auditor's report on compliance for major programs _____ Unqualified _____
- L) Any audit findings disclosed that are required to be reported in accordance NJOMB Circular Letter 04-04? _____ yes X no

M) Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>100-034-5120-473</u>	<u>Extraordinary Special Education Aid</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

- N) Dollar threshold used to determine Type A programs: _____ \$1,375,307 _____
- O) Auditee qualified as low-risk auditee? _____ X yes _____ no

**TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Part 2 – Schedule of Financial Statement Findings

NONE

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

NONE

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATUS OF PRIOR YEAR FINDINGS

NONE