

SCHOOL DISTRICT
OF
GREENWICH TOWNSHIP

Greenwich Township School District
Board of Education
Stewartsville, Warren County
New Jersey

Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2010

Comprehensive Annual

Financial Report

of the

Greenwich Township School District

Board of Education

Stewartsville, New Jersey

For the Fiscal Year Ending June 30, 2010

Prepared by

Greenwich Township School District

Board of Education

Finance Department

OUTLINE OF CAFR

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Introductory Section

GREENWICH TOWNSHIP SCHOOL DISTRICT

Maria Eppolite, Superintendent
Business Administrator
Ext. 130

Office of the Superintendent
101 Wyndham Farm Boulevard
Stewartsville, NJ 08886
Telephone: 908-859-2022
Facsimile: 908-859-4522

Victoria L. Stevens,
Ext. 124

Honorable President and
Members of the Board of Education
Greenwich Township School District
County of Warren, New Jersey

Dear Board Members,

The comprehensive annual financial audit of the Greenwich Township School District for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose 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. This District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Greenwich Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Greenwich Township Board of Education and its two schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include services for regular as well as special needs students. The District completed the 2009-2010 fiscal year with an enrollment of 976 students, which is 10 students below the previous June 30th enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Average Daily Enrollment		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
1999-00	654.4	19.77
2000-01	763.6	16.69
2001-02	847.8	11.03
2002-03	882.4	4.10
2003-04	908.1	2.91
2004-05	949.3	4.53
2005-06	968.7	2.04
2006-07	991.7	2.37
2007-08	1003.9	1.23
2008-09	986.0	(1.78)
2009-10	974.8	(1.13)

2) ECONOMIC CONDITION AND OUTLOOK: Greenwich Township continues to be a community committed to ensuring the delivery of quality and meaningful educational programming to all of its students. This commitment is balanced with an understanding that the cost of living, including property taxes, continues to grow. Both the Township Committee and the Board of Education remain focused on addressing the needs of the students in a financially efficient and responsible way. The school budget has been extremely lean however providing the best possible for the student enrollment. Efforts have been made to attract alternative funding for special school projects. The school district has been successful in acquiring a number of federal, state and private grants totaling more than \$800,000. Additionally, the district continues to enjoy the strong support of the Greenwich Township PTO and Greenwich Township Autism Alliance, which annually funds a variety of programs and services for the students. Attention is being paid to the possible expansion of shared services

arrangements to maximize the efficiency of the district. The effective management of future budgets continues to be a priority for the Board of Education.

3) MAJOR INITIATIVES: District goals emphasize the implementation of K-8 programming across all curricular areas along with the use of and infusion of technology to support and differentiate instruction. Our initiatives are a response to those goals as determined by various committees inclusive of parents, teachers, community members and district administration. Meeting the needs of all students continues to be the underlying theme with an emphasis on inclusive programming for children with exceptional needs, i.e. special education and gifted education.

Our initiatives include the purchase of technology in the form of laptops and interactive white boards, multi-modal mathematics, language arts, and social studies programs that infuse technology into ongoing classroom instruction, include a parent and an online component, and are differentiated to meet the needs of struggling learners, grade level students, and gifted students. A reading specialist at the middle school and Spanish teacher at the elementary school will assist in the provision of effective programming and instruction K-8. Inclusion specialists one day each week and a behaviorist one day each week will provide teacher assistance to promote the effective inclusion of children with special academic and social needs in the general education classroom. A further redesign of the special education program allowed for a reduction of special education staff while improving the provision of services.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets approved for capital improvements are 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 cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2010.

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

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General, Special Revenue and Debt Service Fund revenues for the fiscal year ended June 30, 2010 and the amount and percentage of increases or decreases in relation to prior years.

Revenue Source	Amount	Percent of Total	Increase(Decrease)	
			Amount	Percent
Local	\$ 7,725,003	51.42%	\$ (47,471)	(0.61%)
State	6,009,095	40.00%	(835,566)	(12.21%)
Federal	1,288,370	8.58%	942,852	272.88%
Total	\$15,022,468	100.00%	\$ 59,815	0.40%

The decrease in State aid was due to the use of federal ARRA grants in lieu of state funding in the amount \$822,463.

The following schedule presents a summary of General, Special Revenue, Capital Projects and Debt Service Fund expenditures for the fiscal year ended June 30, 2010 and the percentage of increases and decreases in relation to prior years.

Expenditures	Amount	Percent of Total	Increase(Decrease)	
			Amount	Percent
Current Expense:				
Instruction	\$ 4,490,186	28.05%	\$ (72,230)	(1.58%)
Undistributed	9,225,473	57.62%	232,573	2.59%
Capital Outlay	85,030	.53%	71,196	514.65%
Debt Service	1,740,634	10.87%	64,125	(3.82%)
Special Revenue	468,449	2.93%	122,931	35.58%
Total	\$16,009,772	100.00%	\$ 418,595	1.90%

The increase in current expenditures is attributed to increased personnel and operational costs. The decrease in debt service expenditures is attributed to decreased interest payments on school bonds.

8) DEBT ADMINISTRATION: As of June 30, 2010, four years of the 1998 School Bonds and Refunding Bonds remained, with a total of \$1,425,000 outstanding; eight years of the 2005 Refunding School Bonds remained, with a total of \$6,310,000 outstanding; also, thirteen years of the 2006 Refunding School Bonds remained, with a total of \$4,505,000 outstanding. Total outstanding debt as of June 30, 2010 was \$12,240,000.

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

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, workers compensation, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Co., LLP was appointed by the Greenwich Township Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The Auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Greenwich 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.

Respectfully submitted,

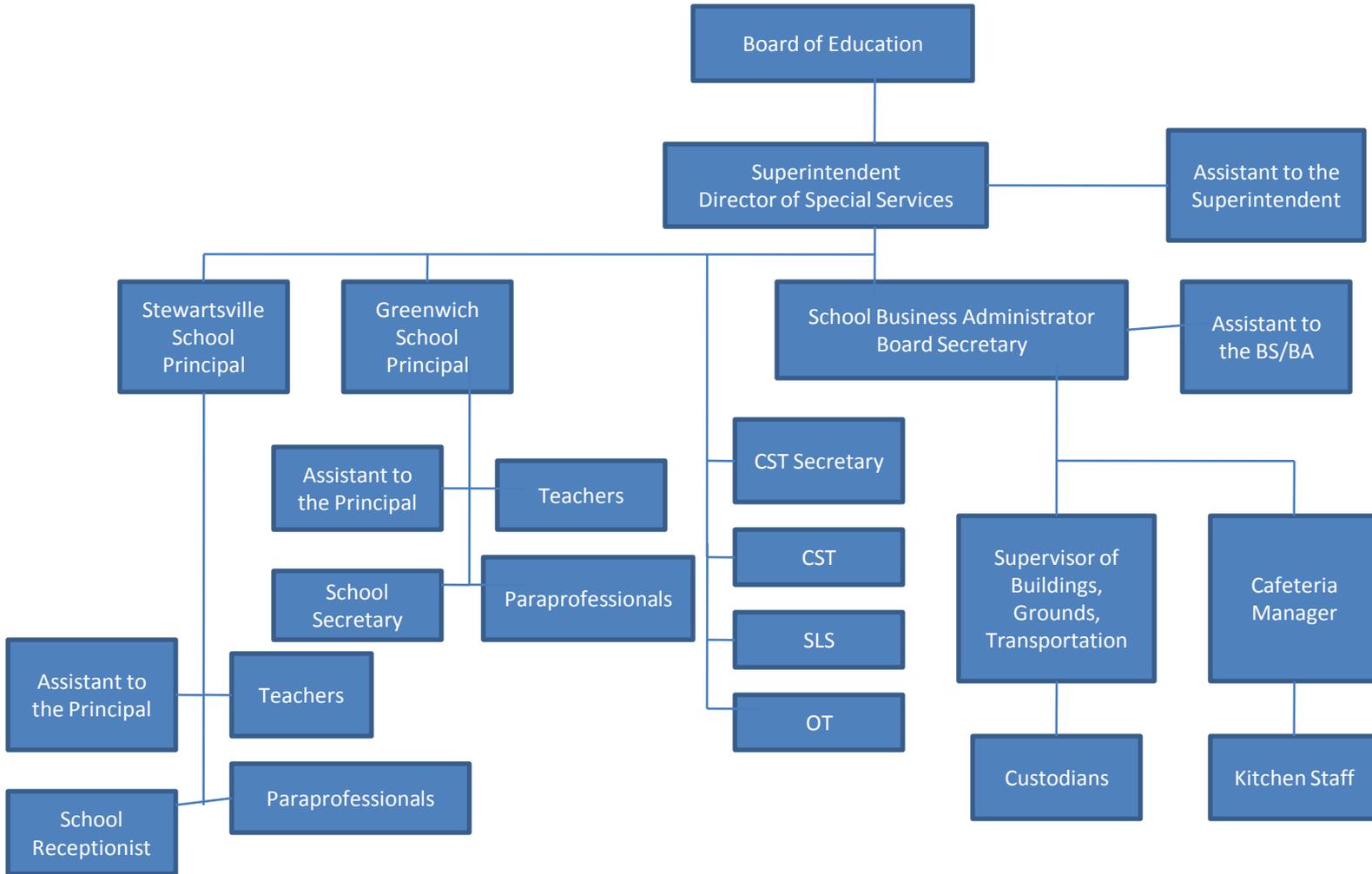


Maria Eppolite
Superintendent



Victoria L. Stevens
Business Administrator/
Board Secretary

Greenwich Township School District Organization Chart



**GREENWICH TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION**

ROSTER OF OFFICIALS

June 30, 2010

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Christopher Wittmann, President	2013
Mahy Churylo, Vice President	2011
Brian Cenci	2012
Jennifer Contiliano	2012
Diane Lein	2013
Victoria Little	2013
Christine Ritt	2012
Denise Valle	2011
VACANT	2011

Other Officials

Maria Eppolite, Superintendent

Victoria L. Stevens, Business Administrator/Board Secretary

Doris Rayna, Treasurer

Sydney A. Sayovitz, Esquire, Attorney

**GREENWICH TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION**

CONSULTANTS AND ADVISORS

Audit Firm

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Frenchtown, New Jersey 08825

Attorney

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Official Depository

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Financial Section

Independent Auditor's Report



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Douglas R. Williams, CPA, RMA, PSA
Anthony F. Ardito, PA, RMA, PSA

UNQUALIFIED OPINIONS ON BASIC FINANCIAL STATEMENTS ACCOMPANIED BY REQUIRED SUPPLEMENTARY INFORMATION AND SUPPLEMENTARY SCHEDULE OF FEDERAL AND STATE AWARDS AND OTHER SUPPLEMENTARY INFORMATION-GOVERNMENTAL ENTITY

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Greenwich Township School District
County of Warren
Stewartsville, New Jersey 08886

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Greenwich Township School District in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Greenwich Township School District 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of the Greenwich Township School District Board of Education in the County of Warren, State of New Jersey, as of June 30, 2010, 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.

-Continued-

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2010, on our consideration of the Greenwich Township School District Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 on pages 7 through 7.8, and 37 through 46 are 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 Greenwich Township School District Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Licensed Public School Accountant No. 2369
ARDITO & CO., LLP

Date: October 15, 2010

**Required Supplementary Information -
Part I**

Management's Discussion and Analysis

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

The discussion and analysis of Greenwich Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- ◆ In total, net assets decreased \$167,771 which represents a 3.5 percent decrease from 2009.
- ◆ General revenues accounted for \$7,713,390 in revenue or 50.7 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$7,515,001 or 49.3 percent of total revenues of \$15,228,391.
- ◆ Total assets of governmental activities decreased by \$1,244,575 as cash and cash equivalents decreased by \$911,131, receivables increased by \$56,673 and capital assets decreased by \$392,215.
- ◆ The School District had \$15,396,162 in expenses; only \$7,515,001 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$7,713,390 were adequate to provide for these programs.
- ◆ Among major funds, the General Fund had \$12,813,385 in revenues and \$13,800,689 in expenditures. The General Fund's surplus balance decreased \$987,304 over 2009, due to the utilization of prior year's statutory excess surplus of \$1,048,786 to fund the 2009-2010 budget.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Greenwich Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Greenwich Township School District, the General Fund is by far the most significant fund.

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental activities--All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type Activity--This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. The School District operates a cafeteria, which is accounted for as a business like activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 10. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2010 compared to 2009.

**Table 1
Net Assets**

	<u>2010</u>	<u>2009</u>
Assets		
Current and Other Assets	\$ 751,472	\$ 1,603,832
Capital Assets	<u>16,718,494</u>	<u>17,110,709</u>
Total Assets	<u>17,469,966</u>	<u>18,714,541</u>
 Liabilities		
Long-Term Liabilities	11,145,725	12,424,500
Other Liabilities	<u>1,739,876</u>	<u>1,537,905</u>
Total Liabilities	<u>12,885,601</u>	<u>13,962,405</u>
 Net Assets		
Invested in Capital Assets, Net of Debt	4,478,494	3,715,709
Restricted	747,180	1,659,424
Unrestricted	<u>(641,309)</u>	<u>(622,997)</u>
Total Net Assets	<u>\$ 4,584,365</u>	<u>\$ 4,752,136</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

Total assets decreased \$1,244,575. Cash and cash equivalents and receivables decreased by \$854,458 and capital assets decreased by \$392,215. Cash decreases were planned due to the use of 1.049 million in excess surplus used to fund the 2009-2010 budget, along with an additional state aid that was withheld by the state in the amount of \$638,888. This was partially offset with expense reductions through out the year.

Table 2 shows the changes in net assets from fiscal year 2009.

Table 2
Changes in Net Assets

	<u>2010</u>	<u>2009</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 175,427	\$ 207,784
Operating Grants and Contributions	7,339,574	7,224,665
General Revenues:		
Property Taxes	7,633,213	7,598,797
Other	<u>80,177</u>	<u>125,870</u>
Total Revenues	<u>15,228,391</u>	<u>15,157,116</u>
Program Expenses		
Instruction	6,938,204	6,933,494
Support Services:		
Tuition	2,628,589	2,777,661
Pupils and Instructional Staff	1,685,994	1,358,650
General Administration, School Administration, Business	1,191,292	1,161,798
Operations and Maintenance of Facilities	1,154,066	1,163,493
Pupil Transportation	963,560	990,879
Business-Type Activities	224,799	199,510
Interest and Fiscal Charges	<u>609,658</u>	<u>657,352</u>
Total Expenses	<u>15,396,162</u>	<u>15,242,837</u>
Increase in Net Assets	<u>\$ (167,771)</u>	<u>\$ (85,721)</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 50.1 percent of revenues for governmental activities for the Greenwich Township School District for the fiscal year 2010.

Instruction comprises 45.1 percent of district expenses. Support services expenses make up 49.5 percent of the expenses. Support services includes tuition expenses of \$2,628,589, or 17.1% of all expenditures, to send township students to high school and other special schools.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2009. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of</u> <u>Services 2010</u>	<u>Net Cost of</u> <u>Services 2010</u>	<u>Total Cost of</u> <u>Services 2009</u>	<u>Net Cost of</u> <u>Services 2009</u>
Instruction	\$ 6,938,204	\$ 3,717,675	\$6,933,494	\$3,738,615
Support Services:				
Tuition	2,628,589	1,540,973	2,777,661	1,606,059
Pupils and Instructional Staff	1,685,994	856,982	1,358,650	662,530
General Admin., School Admin., Business	1,191,292	698,378	1,161,798	671,759
Operation and Maintenance of Facilities	1,154,066	676,555	1,163,493	672,738
Pupil Transportation	963,560	564,873	990,879	572,932
Business-Type Activities	224,799	22,513	199,510	5,140
Interest and Fiscal Charges	609,658	(196,788)	657,352	(119,385)
Total Expenses	<u>\$15,396,162</u>	<u>\$ 7,881,161</u>	<u>\$15,242,837</u>	<u>\$7,810,388</u>

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

Tuition includes tuition expenses to send township resident students to high school and other special schools.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

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

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

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service and child care.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District and unallocated depreciation.

The dependence upon tax revenues is apparent. Over 53.6 percent of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 56.9 percent. The community, as a whole, is the primary support for the Greenwich Township School District.

The School District's Funds

Information about the School District's major funds starts on page 10. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$15,022,468 and expenditures of \$16,009,772. The change in fund balance for the year was most significant in the General Fund, a decrease of \$987,304. This decrease compares to a budgeted decrease of over \$1.049 million due to planned use of surplus to fund the 2010 budget.

General Fund Budgeting Highlights

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

During the course of the fiscal 2010 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf and reimbursed TPAF items, was \$12,114,803, \$519,745 under original budgeted estimates of \$12,634,548. This difference was due primarily to state aid with holding of \$638,888.

The General fund revenues and other financing sources of the School District fell short of expenditures by approximately \$962,115, while a \$1,048,786 deficit was budgeted. The district was able, through cost savings, to overcome the original budgeted deficit of \$1,048,786 and the subsequent state aid with holding of \$638,888.

Capital Assets

At the end of the fiscal year 2010, the School District had \$16,718,494 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2010 balances compared to 2009.

**Table 4
Capital Assets (Net of Depreciation) at June 30,**

	<u>2010</u>	<u>2009</u>
Land Improvements	\$ 41,783	\$ 49,551
Buildings and Improvements	16,252,722	16,705,023
Machinery and Equipment	<u>423,989</u>	<u>616,555</u>
 Totals	 <u>\$ 16,718,494</u>	 <u>\$ 17,371,129</u>

Increases in capital assets (primarily buildings and improvements, machinery and equipment) were offset by depreciation expenses for the year and capital asset retirements.

Debt Administration

At June 30, 2010, the School District had \$12,415,725 as outstanding debt. Of this amount \$175,725 is for compensated absences and the balance of \$12,240,000 is for bonds for school construction.

At June 30, 2010, the School District's overall legal debt margin was \$24,515,570 and the unvoted debt margin was \$12,275,570.

GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

For the Future

The Greenwich Township School District is in good financial condition presently. A major concern is the increased reliance on local property taxes in light of continued decreases in state aid. However, future finances are not without challenges as the community continues to grow and state funding is decreased.

Greenwich Township School District did not successfully passed the 2010-2011 school budget. It has been increasingly difficult to balance educational needs with increases in property tax rates. The steady decrease in state aid to offset local property taxes and the economic downturn is thought to be the main reasons for the problem. In the past, the District garnered local support of its budget for over 10 years. This problem seems to be statewide and is not exclusive to the Greenwich Township School District. The Greenwich Township School District is primarily a residential community, with very few ratables, thus the burden is focused on homeowners to bear the tax burden.

In conclusion, the Greenwich Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Victoria L. Stevens, School Business Administrator/Board Secretary at Greenwich Township School District, 101 Wyndham Farm Blvd., Stewartsville, NJ 08886, or E-mail at stevensv@warrennet.org.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET ASSETS

June 30, 2010

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 458,947	\$ 44,332	\$ 503,279
Receivables, Net	234,883	2,110	236,993
Inventory		11,199	11,199
Restricted Assets:			
Capital Reserve Account - Cash	1		1
Capital Assets, Net (Note 5):	16,642,005	76,489	16,718,494
Total Assets	17,335,836	134,130	17,469,966
LIABILITIES			
Accounts Payable	53,085		53,085
Deferred Revenue	149,848	10,157	160,005
Accrued Interest	256,786		256,786
Noncurrent Liabilities (Note 6):			
Due Within One Year	1,270,000		1,270,000
Due Beyond One Year	11,145,725		11,145,725
Total Liabilities	12,875,444	10,157	12,885,601
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	4,402,005	76,489	4,478,494
Restricted for:			
Other Purposes	747,180		747,180
Unrestricted	(688,793)	47,484	(641,309)
Total Net Assets	\$ 4,460,392	\$ 123,973	\$ 4,584,365

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET ASSETS		TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular	\$ 5,156,261	\$ 15,250	\$ 2,467,974		\$ (2,673,037)	\$ (2,673,037)
Special Education	1,538,025		636,380		(901,645)	(901,645)
Other Special Instruction	243,918		100,925		(142,993)	(142,993)
Support Services:						
Tuition	2,628,589		1,087,616		(1,540,973)	(1,540,973)
Student & Instruction Related Serv.	1,685,994		829,012		(856,982)	(856,982)
School Administrative Services	332,110		137,415		(194,695)	(194,695)
General and Business Admin. Serv.	859,182		355,499		(503,683)	(503,683)
Plant Operations and Maintenance	1,154,066		477,511		(676,555)	(676,555)
Pupil Transportation	963,560		398,687		(564,873)	(564,873)
Interest on Long-Term Debt	562,794		806,446		243,652	243,652
Unallocated Depreciation	46,864				(46,864)	(46,864)
Total Governmental Activities	15,171,363	15,250	7,297,465		(7,858,648)	(7,858,648)
Business-Type Activities:						
Food Service	224,799	160,177	42,109		\$ (22,513)	(22,513)
Total Business-Type Activities	224,799	160,177	42,109		(22,513)	(22,513)
Total Primary Government	\$ 15,396,162	\$ 175,427	\$ 7,339,574		\$ (7,858,648)	\$ (7,881,161)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 6,699,025		\$ 6,699,025
Taxes Levied for Debt Service				934,188		934,188
Investment Earnings				8,934		8,934
Miscellaneous Income				67,606	\$ 3,637	71,243
Total General Revenues, Special Items, Extraor. Items & Transfers				7,709,753	3,637	7,713,390
Change in Net Assets				(148,895)	(18,876)	(167,771)
Net Assets—Beginning (As Restated)				4,609,287	142,849	4,752,136
Net Assets—Ending				\$ 4,460,392	\$ 123,973	\$ 4,584,365

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

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2010

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 431,088	\$ 27,860	\$ 458,948
Receivables from Other Governments	112,895	121,988	234,883
TOTAL ASSETS	\$ 543,983	\$ 149,848	\$ 693,831
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 53,085		\$ 53,085
Deferred Revenue		\$ 149,848	149,848
Total Liabilities	53,085	149,848	202,933
Fund Balances:			
Reserved for:			
Encumbrances	45,921		45,921
Capital Reserve Account	1		1
Excess Surplus-Designated for Subsequent Year's Expenditures	234,751		234,751
Excess Surplus	30,122		30,122
Unreserved, Reported in:			
General Fund - Designated for Subsequent Year's Expenditures	482,306		482,306
General Fund - Undesignated	(302,203)		(302,203)
Total Fund Balances	490,898	-	490,898
TOTAL LIABILITIES AND FUND BALANCE	\$ 543,983	\$ 149,848	\$ 693,831

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. The cost of the assets is \$22,520,633 and the accumulated depreciation is \$5,878,628.	\$ 16,642,005
Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	(256,786)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	(12,415,725)
Net assets of governmental activities	<u>\$ 4,460,392</u>

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Local Tax Levy	\$ 6,699,025		\$ 934,188	\$ 7,633,213
Tuition	15,250			15,250
Miscellaneous	73,998	\$ 2,542		76,540
Total - Local Sources	6,788,273	2,542	934,188	7,725,003
State Sources	5,202,649		806,446	6,009,095
Federal Sources	822,463	465,907		1,288,370
Total Revenues	12,813,385	468,449	1,740,634	15,022,468
EXPENDITURES				
Current:				
Regular Instruction	3,142,082	337,041		3,479,123
Special Education Instruction	1,163,571			1,163,571
Other Special Instruction	184,533			184,533
Support services and undistributed costs:				
Tuition	2,628,589			2,628,589
Student and Instruction Related Services	1,144,107	131,408		1,275,515
School Administrative Services	251,253			251,253
Other Administrative Services	650,002			650,002
Plant Operations and Maintenance	873,092			873,092
Pupil Transportation	963,560			963,560
Unallocated Benefits	2,714,870			2,714,870
Debt Service:				
Principal			1,155,000	1,155,000
Interest and Other Charges			585,634	585,634
Capital Outlay	85,030			85,030
Total Expenditures	13,800,689	468,449	1,740,634	16,009,772
Excess (Deficiency) of Revenues Over Expenditures	(987,304)			(987,304)
Net Change in Fund Balances	(987,304)			(987,304)
Fund Balance—July 1	1,478,202			1,478,202
Fund Balance—June 30	\$ 490,898	-	-	\$ 490,898

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

**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, 2010**

Total Net Change in Fund Balances - Governmental Funds (from B-2) (\$987,304)

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	(\$468,636)	
	Capital Outlays	<u>85,030</u>	(383,606)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 1,155,000

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. This is the amount by which current year's amount of interest accrual exceeds the prior year's amount. 22,840

Payment of compensated absences 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. Additionally, any unpaid earned compensated absence is not reported as an expenditure in the governmental funds, but is recorded as an expenditure in the statement of activities.

Change in Net Assets of Governmental Activities 44,175
(\$148,895)

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET ASSETS
PROPRIETARY FUNDS

June 30, 2010

	Business-Type Activities- Enterprise Funds		
	<u>Food Service</u>	<u>Pre-School Services</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 40,362	\$ 3,970	\$ 44,332
Accounts Receivable	2,110		2,110
Inventories	11,199		11,199
Total Current Assets	53,671	3,970	57,641
Noncurrent Assets:			
Furniture, Machinery and Equipment	216,300		216,300
Less Accumulated Depreciation	(139,811)		(139,811)
Total Noncurrent Assets	76,489		76,489
Total Assets	130,160	3,970	134,130
LIABILITIES			
Current liabilities:			
Deferred Revenue	6,187	3,970	10,157
Total Current Liabilities	6,187	3,970	10,157
Total Liabilities	6,187	3,970	10,157
NET ASSETS			
Invested in Capital Assets Net of Related Debt	76,489		76,489
Unrestricted	47,484		47,484
Total Net Assets	\$ 123,973	\$ -	\$ 123,973

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities- Enterprise Fund	
	Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 87,860	\$ 87,860
Daily Sales - Non-Reimbursable Programs	72,317	72,317
Miscellaneous	3,637	3,637
Total Operating Revenues	163,814	163,814
 Operating Expenses:		
Cost of Sales	94,561	94,561
Salaries	106,411	106,411
Other Purchased Professional Services	11,663	11,663
Depreciation	12,164	12,164
Total Operating Expenses	224,799	224,799
Operating Income (Loss)	(60,985)	(60,985)
 Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	2,032	2,032
Federal Sources:		
National School Lunch Program	27,597	27,597
Food Distribution Program	12,480	12,480
Total Nonoperating Revenues (Expenses)	42,109	42,109
Income (Loss) Before Contributions and Transfers	(18,876)	(18,876)
Total Net Assets—Beginning	142,849	142,849
Total Net Assets—Ending	\$ 123,973	\$ 123,973

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2010

	Business-Type Activities - Enterprise Funds		
	Food Service	Pre-School Services	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 163,813		\$ 163,813
Payments to Employees	(106,411)		(106,411)
Payments to Suppliers	(94,466)		(94,466)
Net Cash Provided by (used for) Operating Activities	(37,064)		(37,064)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	1,996		1,996
Federal Sources	26,987		26,987
Net Cash Provided by (used for) Non-Capital Financing Activities	28,983		28,983
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Capital Additions	(3,554)		(3,554)
Net Cash Provided by (used for) Capital Financing Activities	(3,554)		(3,554)
Net Increase (Decrease) in Cash and Cash Equivalents	(11,635)		(8,081)
Balances—Beginning of Year	51,997		51,997
Balances—End of Year	\$ 40,362		\$ 43,916
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:			
Operating Income (Loss)	\$ (60,985)		\$ (60,985)
Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	12,164		12,164
Federal Commodities	12,480		12,480
(Increase) Decrease in Inventories	(723)		(723)
Increase (Decrease) in Accounts Payable			
Total Adjustments	23,921		23,921
Net Cash Provided by (used for) Operating Activities	\$ (37,064)		\$ (37,064)

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit B-7

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

June 30, 2010

	<u>Agency Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ <u>295,321</u>
Total Assets	\$ <u>295,321</u>
LIABILITIES	
Payroll Deductions and Withholdings	\$ 63,726
Accrued Salaries and Wages-Summer Plan	198,083
Accrued Salaries and Wages	32
Payable to Student Groups	<u>33,480</u>
Total Liabilities	\$ <u>295,321</u>

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

Notes to Financial Statements

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Greenwich Township 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. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the CAFR, and Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45). The implementation of these statements had no effect on equity balances as previously reported for the fiscal year ended June 30, 2009.

A. Reporting Entity:

The Greenwich Township School District is a Type II district located in the County of Warren, 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-8. The Greenwich Township School District had an approximate enrollment at June 30, 2010, of 974 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.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net assets presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental

activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental, proprietary, and fiduciary*—are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No.34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund and Unemployment Compensation Trust Fund.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. 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 funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

D. Encumbrance Accounting:

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

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

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

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

Capital Assets:

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

Compensated Absences:

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination and/or retirement, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee at initial employment.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

All payables, accrued liabilities and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Assets, Liabilities and Equity (Continued):

Net Assets:

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves:

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

Revenues—Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest and tuition.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense, that could not be attributed to a specific function, is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

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

Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2010, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

As of June 30, 2010, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents(A-1)</u>	<u>Cash and Cash Equivalents(B-7)</u>	<u>Total</u>
Checking Accounts	\$ 503,279	\$ 295,321	\$798,600
Checking Accounts-Capital Reserve	1		1
	\$503,280	\$295,321	\$798,601

The carrying amount of the Board's cash and cash equivalents at June 30, 2010, was \$798,601 and the bank balance was \$1,077,111. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$827,111 was covered by collateral pool.

NOTE 3: RECEIVABLES

Receivables at June 30, 2010, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Government-Wide Financial Statements</u>
State Aid	\$112,895	\$113,037
Federal Aid	121,988	123,956
Gross Receivable	234,883	236,993
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	\$234,883	\$236,993

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4: INVENTORY

Inventory in the Food Service Fund at June 30, 2010, consisted of the following:

Food	\$	3,733
Supplies		<u>7,466</u>
	\$	<u><u>11,199</u></u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 5: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>		<u>Ending Balance</u>
Governmental Activities:					
Total Capital Assets Not Being Depreciated	-	-	-		-
<i>Capital Assets Being Depreciated:</i>					
Land Improvements	\$ 153,163				\$ 153,163
Buildings and Building Improvements	22,036,646				22,036,646
Machinery and Equipment	245,794	85,030			330,824
Total at Historical Cost	<u>22,435,603</u>	<u>85,030</u>	-		<u>22,520,633</u>
Less Accumulated Depreciation for:					
Land Improvements	(103,612)	(7,768)			(111,380)
Building and Improvements	(5,331,623)	(452,301)			(5,783,924)
Equipment	25,243	(8,567)			16,676
Total Accumulated Depreciation	<u>(5,409,992)</u>	<u>(468,636)</u>	-		<u>(5,878,628)</u>
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	<u>17,025,611</u>	<u>(383,606)</u>	-		<u>16,642,005</u>
Government Activity Capital Assets, Net	<u>\$ 17,025,611</u>	<u>\$ (383,606)</u>	<u>\$ -</u>		<u>\$ 16,642,005</u>

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$	421,772
Unallocated		<u>46,864</u>
Total	\$	<u><u>468,636</u></u>

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 6: LONG-TERM OBLIGATIONS

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

A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2010, are as follows:

	Balance <u>7/1/09</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/10</u>	Amounts Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$13,395,000		\$ (1,155,000)	\$12,240,000	\$1,270,000
Other Liabilities:					
Compensated Absences Payable	219,900		(44,175)	175,725	
Total	\$13,614,900	-	\$ (1,199,175)	\$12,415,725	\$1,270,000

Interest paid on debt issued by the District is exempt from federal income taxes. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year end) on the District-wide financial statements.

For the year ended June 30, 2010, it is not necessary for the Board to establish a liability for arbitrage

	Government Activities			
	<u>Issue</u> <u>Dates</u>	<u>Interest</u> <u>Rates</u>	<u>Date of</u> <u>Maturity</u>	<u>Balance</u> <u>6/30/10</u>
K-4 Elementary School-Refund 1995 Bonds	3/15/98	5.0%	1/15/14	\$ 1,425,000
K-4 Elementary School-Refund 1998 Bonds	6/15/05	3.00-5.00%	1/15/18	6,310,000
School Addition - Refund 2001 Bonds	7/6/06	3.50-4.25%	7/1/22	4,505,000
Total Bonds				\$12,240,000

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 6: LONG-TERM OBLIGATIONS (Continued)

B. Debt Service Requirements:

Debt Service requirements on serial bonds payable at June 30, 2010, is as follows:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,270,000	\$ 538,329	\$ 1,808,329
2012	1,340,000	480,417	1,820,417
2013	1,375,000	425,557	1,800,557
2014	1,405,000	372,644	1,777,644
2015	1,105,000	305,388	1,410,388
Thereafter	<u>5,745,000</u>	<u>807,235</u>	<u>6,552,235</u>
	<u>\$12,240,000</u>	<u>\$2,929,570</u>	<u>\$15,169,570</u>

As of June 30, 2010, the District had no authorized but not issued bonds.

C. Advance Refunding:

The 2005 School Bonds were issued to advance refund a portion (\$7,470,000) of the 1998 School Bonds. The balance outstanding on the refunded 1998 School Bonds was \$1,425,000 at June 30, 2010.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 7: PENSION PLANS

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

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

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

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:66 for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 7: PENSION PLANS (Continued)

Significant Legislation - Legislation enacted during the year ended June 30, 1997, (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year <u>Funding</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
6/30/2010	\$75,307	100 %	-0-
6/30/2009	\$63,821	100	-0-
6/30/2008	\$54,563	100	-0-

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

Year <u>Funding</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
6/30/2010	-0-	100 %	-0-
6/30/2009	-0-	100	-0-
6/30/2008	-0-	100	-0-

During the fiscal year ended June 30, 2010, the State of New Jersey did contribute \$346,883 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$376,848 during the year ended June 30, 2010, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the District-wide financial statements, and the fund-based statements and schedules as revenues and expenditures in accordance with GASB Statement No.24.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 8: POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in Fiscal Year 2009.

GASB Statement #45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District does not provide post-employment benefits other than pension. Healthcare provided to eligible TPAF and PERS board of education retirees through the NJ State Health Benefits Program are paid by the the State of New Jersey and as such, no district OPEB liability exists.

NOTE 9: DEFERRED COMPENSATION

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

Lincoln National Life

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 10: COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination and/or retirement, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee at initial employment.

In the district-wide *Statement of 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, 2010, no liability existed for compensated absences in the proprietary fund types.

NOTE 11: RISK MANAGEMENT

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

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

NOTE 12: CONTINGENT LIABILITIES

GRANT PROGRAMS

The Board participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Board is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

ARBITRAGE REBATE

As part of a major school building program, bonded debt was issued in excess of limits that could require payment of arbitrage rebates as required under applicable provisions of the Internal Revenue Code. Arbitrage reporting and tracking is maintained by the District and estimated future value of such liability, if any, will be determined at completion of the capital project.

LITIGATION

The Board is not involved in claims or lawsuits incidental to its operations.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 13: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$490,898 General Fund fund balance at June 30, 2010, \$45,921 has been reserved for encumbrances, \$1 has been reserved in the Capital Reserve Account; \$264,873 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7 (\$234,751 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2011); \$482,306 is designated for subsequent year's expenditures as anticipated revenue for the year ending June 30, 2011; and, \$(302,203) is unreserved and undesignated.

NOTE 14: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Greenwich Township School District Board of Education by inclusion of \$1. on October 11, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2009 to June 30, 2010 fiscal year is as follows:

Beginning Balance, July 1, 2009	<u>\$1</u>
Ending Balance, June 30, 2010	<u><u>\$1</u></u>

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. 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, 2010 is \$30,122. The excess fund balance at June 30, 2009 was \$610,636. Pursuant to the provisions of Executive Order No. 14, \$375,885 of that amount was approved by the Commissioner of the Department of Education for withdrawal to address any budget shortfall in the general fund account group due to the 2009-10 withholding of state aid.

GREENWICH TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 16: RETROACTIVE RESTATEMENT OF NET ASSETS

Restatement of Prior Period:

As an ongoing process of maintaining records in accordance with GASB#34, the district conducted a physical appraisal of capital assets as of June 30, 2009. The appraisal revealed asset activity that that should be recorded as of June 30, 2009. Accordingly, a restatement of net assets as of June 30, 2009 was necessary.

<u>Governmental Activities Net Assets:</u>	
Net Assets (per A-1), June 30, 2009	\$4,869,707
Restatement of Capital Assets	<u>(260,420)</u>
Fund balance (per A-1), June 30, 2009, as Restated	<u>\$4,609,287</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 6,699,025		\$ 6,699,025	\$ 6,699,025	
Tuition	23,000		23,000	15,250	\$ (7,750)
Miscellaneous	60,000		60,000	73,998	13,998
Total - Local Sources	<u>6,782,025</u>		<u>6,782,025</u>	<u>6,788,273</u>	<u>6,248</u>
State Sources:					
Equalization Aid	4,532,823	\$ (1,232,060)	3,300,763	3,300,763	
Transportation Aid	566,421	(198,247)	368,174	368,174	
Special Education Aid	664,582		664,582	664,582	
Security Aid	88,697	(31,044)	57,653	57,653	
Other State Aid			-	112,895	112,895
TPAF Pension (On-Behalf - Non-Budgeted)				346,883	346,883
TPAF Social Security (Reimbursed - Non-Budgeted)				376,848	376,848
Total State Sources	<u>5,852,523</u>	<u>(1,461,351)</u>	<u>4,391,172</u>	<u>5,227,798</u>	<u>836,626</u>
Federal Sources:					
ARRA-ESF		791,811	791,811	791,811	
ARRA-GSF		30,652	30,652	30,652	
Total Federal Sources		<u>822,463</u>	<u>822,463</u>	<u>822,463</u>	
TOTAL REVENUES	<u>12,634,548</u>	<u>(638,888)</u>	<u>11,995,660</u>	<u>12,838,534</u>	<u>842,874</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	138,500		138,500	131,580	6,920
Grades 1-5 - Salaries of Teachers	1,660,000	(10,005)	1,649,995	1,646,563	3,432
Grades 6-8 - Salaries of Teachers	1,100,000	(50,025)	1,049,975	1,022,971	27,004
Regular Programs - Home Instruction:					
Salaries of Teachers	1,000	6,295	7,295	6,882	413
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	29,500	(23,879)	5,621	5,265	356
Purchased Technical Services	20,000	9,855	29,855	28,970	885
Other Purchased Services (400-500 series)	95,000	(2,031)	92,969	92,561	408
General Supplies	210,000	(23,680)	186,320	172,493	13,827
Textbooks	40,000	(2,370)	37,630	34,647	2,983
Other Objects	2,000	(1,850)	150	150	
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,296,000	(97,690)	3,198,310	3,142,082	56,228
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities:					
Salaries of Teachers	51,100	578	51,678	51,678	
Other Salaries for Instruction	16,000	13,707	29,707	29,707	
General Supplies	500		500	500	
Total Multiple Disabilities	67,600	14,285	81,885	81,885	

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Resource Room/Resource Center:					
Salaries of Teachers	857,000	10,939	867,939	867,939	
Other Salaries for Instruction	77,500	68,483	145,983	145,387	596
Other Purchased Services (400-500 series)	200		200		200
General Supplies	4,500		4,500	3,323	1,177
Total Resource Room/Resource Center	939,200	79,422	1,018,622	1,016,649	1,973
Preschool Disabilities - Part-Time:					
Salaries of Teachers	62,500	(16,471)	46,029	42,698	3,331
Other Salaries for Instruction	38,000		38,000	20,218	17,782
Other Purchased Services (400-500 series)	125		125		125
General Supplies	450		450	450	
Other Objects	150		150		150
Total Preschool Disabilities - Part-Time	101,225	(16,471)	84,754	63,366	21,388
Home Instruction:					
Salaries of Teachers	2,000		2,000	1,671	329
Purchased Professional-Educational Services	1,000		1,000		1,000
Total Home Instruction	3,000		3,000	1,671	1,329
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,111,025	77,236	1,188,261	1,163,571	24,690
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	97,500		97,500	95,780	1,720
General Supplies	600		600	576	24
Total Basic Skills/Remedial - Instruction	98,100		98,100	96,356	1,744
Other Instructional Programs - Instruction:					
Salaries	53,500		53,500	52,310	1,190
Supplies and Materials	1,000		1,000	36	964
Other Objects	600		600	297	303
Total Other Instructional Programs - Instruction	55,100		55,100	52,643	2,457
Summer School - Instruction:					
Salaries	54,000	(23,773)	30,227	30,227	
Supplies and Materials	12,000		12,000	4,542	7,458
Other Objects	2,000		2,000	765	1,235
Total Summer School - Instruction	68,000	(23,773)	44,227	35,534	8,693
TOTAL INSTRUCTION	4,628,225	(44,227)	4,583,998	4,490,186	93,812

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State-Regular	1,910,549	10,225	1,920,774	1,917,843	2,931
Tuition to Other LEAs Within the State-Special	76,167	(12,379)	63,788	62,897	891
Tuition to County Voc. School District-Regular	36,975	2,175	39,150	39,150	
Tuition to County Voc. School District-Special	16,250	(3,250)	13,000	13,000	
Tuition to CSSD & Regional Day Schools	235,400	(105,527)	129,873	129,873	
Tuition to Private Schools for the Disabled-Within State	516,148	(105,689)	410,459	404,326	6,133
Tuition - State Facilities	61,500		61,500	61,500	
Total Instruction	2,852,989	(214,445)	2,638,544	2,628,589	9,955
Health Services:					
Salaries	113,000	(169)	112,831	112,544	287
Purchased Professional and Technical Services	6,500		6,500	5,325	1,175
Other Purchased Services (400-500 series)	150		150	105	45
Supplies and Materials	2,500	169	2,669	2,669	
Other Objects	300		300	170	130
Total Health Services	122,450		122,450	120,813	1,637
Other Supp. Services Students-Related Services:					
Salaries	164,000	(3,280)	160,720	159,797	923
Purchased Professional - Educational Services	51,000	17,631	68,631	67,591	1,040
Supplies and Materials	1,000		1,000	996	4
Total Other Supp. Services Students-Related Services	216,000	14,351	230,351	228,384	1,967
Other Supp. Services Students-Extra.Services:					
Purchased Professional - Educational Services	75,000	28,591	103,591	99,698	3,893
Supplies and Materials		5,037	5,037	5,037	
Total Other Supp. Services Students-Extra.Services	75,000	33,628	108,628	104,735	3,893
Other Supp. Services Students-Regular:					
Salaries of Other Professional Staff	124,000	(38)	123,962	123,092	870
Other Purchased Professional & Technical Services		186	186	186	
Supplies and Materials	2,000	38	2,038	143	1,895
Total Other Supp. Services Students-Regular	126,000	186	126,186	123,421	2,765
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	170,000	(958)	169,042	168,740	302
Salaries of Secretarial & Clerical Assistants	30,000	2,000	32,000	30,667	1,333
Purchased Professional - Educational Services	27,000	764	27,764	26,284	1,480
Other Purchased Services (400-500 series O/than Resid.Costs)	700		700	90	610
Supplies and Materials	2,500	194	2,694	2,694	
Total Other Supp. Services Students-Special	230,200	2,000	232,200	228,475	3,725

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Improvement of Instruction Services:					
Salaries of Other Professional Staff	132,000	(2,964)	129,036	128,361	675
Purchased Professional - Educational Services	2,000	1,000	3,000	3,000	
Total Improvement of Instruction Services	134,000	(1,964)	132,036	131,361	675
Educational Media Services/School Library:					
Salaries	185,000	(5,325)	179,675	179,675	
Other Purchased Services (400-500 series)	16,500	973	17,473	15,863	1,610
Supplies and Materials	7,000	5,297	12,297	6,755	5,542
Total Educational Media Services/School Library	208,500	945	209,445	202,293	7,152
Instructional Staff Training Services:					
Purchased Professional - Educational Services	7,500	(945)	6,555		6,555
Other Purchased Services (400-500 series)	5,000		5,000	4,625	375
Total Instructional Staff Training Services	12,500	(945)	11,555	4,625	6,930
Supp. Services - General Administration:					
Salaries	280,000	(13,000)	267,000	266,422	578
Legal Services	40,000	9,000	49,000	38,496	10,504
Audit Fees	11,200		11,200	10,495	705
Architectural/Engineering Fees	10,000	11,183	21,183	20,000	1,183
Other Purchased Professional Services	10,000	1,495	11,495	11,495	
Communications/Telephone	65,000		65,000	53,596	11,404
BOE Other Purchased Services	4,000		4,000	3,619	381
Other Purchased Services (400-500 series)	35,000	(3,678)	31,322	21,212	10,110
General Supplies	10,000		10,000	7,909	2,091
BOE In-House Training/Meeting Supplies	500		500	422	78
Judgements	30,000		30,000	30,000	
Miscellaneous Expenditures	14,000	(5,000)	9,000	7,390	1,610
BOE Membership Dues and Fees	7,000		7,000	6,716	284
Total Supp. Services - General Administration	516,700		516,700	477,772	38,928
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	195,000	(2,000)	193,000	172,283	20,717
Salaries of Secretarial and Clerical Assistants	65,000		65,000	61,395	3,605
Purchased Professional & Technical Services	7,000	2,000	9,000	9,000	
Other Purchased Services (400-500 series)	3,000		3,000	1,251	1,749
Supplies and Materials	4,000	2,000	6,000	5,836	164
Other Objects	2,750		2,750	1,488	1,262
Total Support Services - School Administration	276,750	2,000	278,750	251,253	27,497

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Central Services:					
Salaries	178,000	(2,634)	175,366	163,826	11,540
Purchased Professional Services	2,500	2,634	5,134	5,134	
Miscellaneous Purchased Services (400-500 series)	3,500		3,500	1,102	2,398
Supplies and Materials	2,500		2,500	1,013	1,487
Other Objects	1,600		1,600	1,155	445
Total Central Services	188,100		188,100	172,230	15,870
Required Maintenance for School Facilities:					
Salaries	44,450	2,442	46,892	46,892	
Cleaning, Repair and Maintenance Services	50,000	24,326	74,326	73,837	489
General Supplies	14,850		14,850	7,506	7,344
Total Required Maintenance for School Facilities	109,300	26,768	136,068	128,235	7,833
Other Operations and Maintenance of Plant:					
Salaries	244,000	(4,847)	239,153	223,985	15,168
Purchased Professional & Technical Services	2,500		2,500	1,920	580
Cleaning, Repair and Maintenance Services	90,000	(13,000)	77,000	49,788	27,212
Other Purchased Property Services	65,000	2,405	67,405	67,405	
Insurance	18,000		18,000	14,500	3,500
Miscellaneous Purchased Services	2,000		2,000	1,182	818
General Supplies	35,000		35,000	16,674	18,326
Energy (Natural Gas)	100,000		100,000	64,487	35,513
Energy (Electricity)	325,000		325,000	261,973	63,027
Total Other Operations and Maintenance of Plant	881,500	(15,442)	866,058	701,914	164,144
Care and Upkeep of Grounds:					
Salaries	14,700		14,700	14,690	10
Cleaning, Repair and Maintenance Services	30,000		30,000	27,785	2,215
General Supplies	3,000		3,000	468	2,532
Total Care and Upkeep of Grounds:	47,700		47,700	42,943	4,757

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Student Transportation Services:					
Salary for Pupil Transp. - (Bet. Home and School) - Reg.	19,500	(450)	19,050	19,040	10
Management Fee	9,000	3,150	12,150	12,150	
Contracted Services - Aid in Lieu of Payments-Nonpublic Sch.	50,270	(11,950)	38,320	38,319	1
Contracted Services (Between Home and School)-Vendors	562,700	40	562,740	562,740	
Contracted Services (Other than Bet.Home and School)-Vendors	20,000	(902)	19,098	8,202	10,896
Contracted Services (Between Home and School)-Joint Agrmts.	10,000	(2,323)	7,677	7,677	
Contracted Services (Special Education Students)-Vendors	275,000	(25,450)	249,550	236,875	12,675
Contracted Services (Special Ed. Students)-ESCs & CTSA's	80,000		80,000	78,557	1,443
Total Student Transportation Services	1,026,470	(37,885)	988,585	963,560	25,025
UNALLOCATED BENEFITS :					
Social Security Contributions	118,000	(510)	117,490	112,456	5,034
Other Retirement Contributions - Regular	88,000	(12,638)	75,362	75,307	55
Unemployment Compensation	21,200	510	21,710	21,710	
Workmen's Compensation	43,000		43,000	42,252	748
Health Benefits	1,660,000	(15,562)	1,644,438	1,617,792	26,646
Tuition Reimbursement	40,000		40,000	32,672	7,328
Other Employee Benefits	60,750	28,200	88,950	88,950	
TOTAL UNALLOCATED BENEFITS	2,030,950		2,030,950	1,991,139	39,811
On-behalf TPAF pension Contrib. (non-budgeted)				346,883	(346,883)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				376,848	(376,848)
TOTAL ON-BEHALF CONTRIBUTIONS				723,731	(723,731)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	2,030,950		2,030,950	2,714,870	(683,920)
TOTAL UNDISTRIBUTED EXPENDITURES	9,055,109	(190,803)	8,864,306	9,225,473	(361,167)
TOTAL GENERAL CURRENT EXPENSE	13,683,334	(235,030)	13,448,304	13,715,659	(267,355)

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures-Instruction		85,030	85,030	85,030	
Total Equipment		85,030	85,030	85,030	
TOTAL CAPITAL OUTLAY		85,030	85,030	85,030	
TOTAL EXPENDITURES	13,683,334	(150,000)	13,533,334	13,800,689	(267,355)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,048,786)	(488,888)	(1,537,674)	(962,155)	575,519
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,048,786)	(488,888)	(1,537,674)	(962,155)	575,519
Fund Balance, July 1	2,016,795		2,016,795	2,016,795	
Fund Balance, June 30	\$ 968,009	\$ (488,888)	\$ 479,121	\$ 1,054,640	\$ 575,519
Recapitulation:					
Capital Reserve				\$ 1	
Encumbrances				45,921	
Excess Surplus				30,122	
Excess Surplus - Designated for Subsequent Year's Expenditures				234,751	
Designated for Subsequent Year's Expenditures				482,306	
Unrestricted Fund Balance				261,539	
Fund Balance per Governmental Funds(Budgetary Basis)				1,054,640	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(563,742)	
Fund Balance per Governmental Funds(GAAP Basis)				\$ 490,898	

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-1b

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND-ARRA**

Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REVENUES:					
ARRA-ESF		\$ 791,811	\$ 791,811	\$ 791,811	
ARRA-GSF		30,652	30,652	30,652	
Total Federal Sources		822,463	822,463	822,463	
TOTAL REVENUES		\$ 822,463	\$ 822,463	\$ 822,463	
EXPENDITURES:					
Current Expense:					
ARRA:					
ARRA - ESF - Salaries of Teachers Grades 1-5		\$ 449,811	\$ 449,811	\$ 449,811	
ARRA - ESF - Salaries of Teachers Grades 6-8		167,000	167,000	167,000	
ARRA - ESF - Salaries of Teachers Resource Center		175,000	175,000	175,000	
ARRA - GSF - Salaries of Teachers Grades 6-8		30,652	30,652	30,652	
Total ARRA		822,463	822,463	822,463	
TOTAL EXPENDITURES		\$ 822,463	\$ 822,463	\$ 822,463	
Excess (Deficiency) of Revenues Over (Under) Expenditures					

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources		\$ 4,480	\$ 4,480	\$ 2,542	\$ (1,938)
Federal Sources	\$ 160,000	453,818	613,818	467,541	(146,277)
Total Revenues	160,000	458,298	618,298	470,083	(148,215)
EXPENDITURES:					
Instruction					
Salaries of Teachers	160,000	(103,087)	56,913	56,090	823
Other Salaries for Instruction		38,754	38,754	38,754	
Tuition (400-500 Series)		175,650	175,650	80,650	95,000
General Supplies		173,365	173,365	161,547	11,818
Total Instruction	160,000	284,682	444,682	337,041	107,641
Support Services					
Personal Services - Employee Benefits		25	25	25	
Purchased Professional-Education Services		75,734	75,734	74,734	1,000
Purchased Professional and Tech. Svcs		6,420	6,420	6,420	
Other Purchased Serv. (400-500 Series)		13,865	13,865	13,016	849
Supplies and Materials		77,572	77,572	38,847	38,725
Total Support Services	-	173,616	173,616	133,042	40,574
Total Expenditures	160,000	458,298	618,298	470,083	148,215
Total Outflows	\$ 160,000	\$ 458,298	\$ 618,298	\$ 470,083	\$ 148,215

**Excess (Deficiency) of Revenues Over (Under)
Expenditures and Other Financing Sources (Uses)**

Fund Balance per Governmental Funds(Budgetary Basis)

None

Reconciliation to Governmental Funds Statement(GAAP Basis):

Last State Aid Payment not recognized on GAAP basis

N/A

Fund Balance per Governmental Funds(GAAP Basis)

None

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2010

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 12,838,534	\$ 470,083
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 Balance	N/A	N/A
Current Year Balance	N/A	(1,634)
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	538,593	N/A
Adjustment for: Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(563,742)</u>	<u>N/A</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 12,813,385</u>	<u>\$ 468,449</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 13,800,689	\$ 470,083
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Balance	N/A	N/A
Current Year Balance	N/A	(1,634)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	<hr/>	<hr/>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 13,800,689</u>	<u>\$ 468,449</u>

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

GREENWICH TOWNSHIP SCHOOL DISTRICT

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2010

	Title I	Title I I Part A	Title I I Part D	Title I V	IDEA Basic	IDEA Preschool	ARRA IDEA Basic	ARRA IDEA Preschool	YODA	History Surrounds Us	Autisum Alliance	Totals
REVENUES												
Local Sources											\$ 2,542	\$ 2,542
Federal Sources	\$ 17,629	\$ 11,580	\$ 180	\$ 1,602	\$ 190,875	\$ 10,810	\$ 123,233	\$ 3,074	\$ 5,000	\$ 103,558		467,541
TOTAL REVENUES	17,629	11,580	180	1,602	190,875	10,810	123,233	3,074	5,000	103,558	2,542	470,083
EXPENDITURES:												
Instruction:												
Salaries of Teachers										56,090		56,090
Other Salaries for Instruction							38,754					38,754
Tuition (400-500 Series)					80,650							80,650
General Supplies	9,209				76,209	3,025	67,688	3,074			2,342	161,547
Total Instruction	9,209	-	-	-	156,859	3,025	106,442	3,074	-	56,090	2,342	337,041
Support Services:												
Personal Services - Employee Benefits										25		25
Purchased Profess.-Educ. Serv.		11,580			24,237		2,000			36,917		74,734
Purchased Professional and Tech. Svcs	6,420											6,420
Other Purchased Serv. (400-500 Series)	2,000		180				1,000			9,636	200	13,016
Supplies and Materials				1,602	9,779	7,785	13,791		5,000	890		38,847
Total Support Services	8,420	11,580	180	1,602	34,016	7,785	16,791	-	5,000	47,468	200	133,042
TOTAL EXPENDITURES	17,629	11,580	180	1,602	190,875	10,810	123,233	3,074	5,000	103,558	2,542	470,083
Total Outflows	17,629	11,580	180	1,602	190,875	10,810	123,233	3,074	5,000	103,558	2,542	470,083
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)												

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

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

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

<p style="text-align: center;">FIDUCIARY FUND DETAIL STATEMENTS</p>
--

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Agency Funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit H-1

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2010**

	<u>AGENCY FUNDS</u>		
	<u>STUDENT</u>	<u>PAYROLL</u>	
	<u>ACTIVITY</u>	<u>AGENCY</u>	<u>TOTALS</u>
ASSETS:			
Cash and Cash Equivalents	\$ 33,480	\$ 261,841	\$ 295,321
TOTAL ASSETS	<u>\$ 33,480</u>	<u>\$ 261,841</u>	<u>\$ 295,321</u>
LIABILITIES:			
Liabilities:			
Payroll Deductions and Withholdings		\$ 63,726	\$ 63,726
Accrued Salaries and Wages-Summer Plan		198,083	198,083
Accrued Salaries and Wages		32	32
Payable to Student Groups	\$ 33,480	-	33,480
Total Liabilities	<u>33,480</u>	<u>261,841</u>	<u>295,321</u>
NET ASSETS			
Held in Trust for Unemployment			
Claims and Other Purposes	-	-	-
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 33,480</u>	<u>\$ 261,841</u>	<u>\$ 295,321</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit H-3

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<u>ACTIVITY</u>	<u>BALANCE July 1, 2009</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE June 30, 2010</u>
Activities Account	\$ 16,867	\$ 126,227	\$ 109,614	\$ 33,480
	<u>\$ 16,867</u>	<u>\$ 126,227</u>	<u>\$ 109,614</u>	<u>\$ 33,480</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit H-4

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PAYROLL AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	<u>BALANCE JULY 1, 2009</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE JUNE 30, 2010</u>
ASSETS:				
Cash and Cash Equivalents	<u>153,215</u>	<u>\$ 6,937,693</u>	<u>\$ 6,829,067</u>	<u>\$ 261,841</u>
Total Assets	<u>153,215</u>	<u>\$ 6,937,693</u>	<u>\$ 6,829,067</u>	<u>\$ 261,841</u>
LIABILITIES:				
Payroll Deductions and Withholdings		\$ 2,544,581	\$ 2,480,855	\$ 63,726
Accrued Salaries and Wages-Summer Plan	\$ 153,215	198,083	153,215	198,083
Accrued Salaries and Wages	<u>-</u>	<u>4,195,029</u>	<u>4,194,997</u>	<u>32</u>
Total Liabilities	<u>153,215</u>	<u>\$ 6,937,693</u>	<u>\$ 6,829,067</u>	<u>\$ 261,841</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit I-1

**SCHEDULE OF SERIAL BONDS
AS OF ENDED JUNE 30, 2010**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE July 1, 2009</u>	<u>RETIRED</u>	<u>BALANCE June 30, 2010</u>
			<u>DATE</u>	<u>AMOUNT</u>				
School Addition Project/ Refunding 1995 School Bonds	3/15/98	\$ 15,540,000	1/15/11	365,000	5.000%	\$ 1,700,000	\$ (275,000)	\$ 1,425,000
			1/15/12	360,000				
			1/15/13	355,000				
			1/15/14	345,000				
School Addition Project	7/1/01	5,784,000			4.500% to 5.000%	230,000	(230,000)	-
Refunding 1998 School Bonds	6/15/05	7,500,000	1/15/11	670,000	3.000%	6,955,000	(645,000)	6,310,000
			1/15/12	705,000	to			
			1/15/13	730,000	5.000%			
			1/15/14	760,000				
			1/15/15	795,000				
			1/15/16	840,000				
			1/15/17	880,000				
			1/15/18	930,000				
School Addition Project/ Refunding 2001 School Bonds	7/6/06	4,520,000	7/1/10	235,000	3.500%	4,510,000	(5,000)	4,505,000
			7/1/11	275,000	to			
			7/1/12	290,000	4.250%			
			7/1/13	300,000				
			7/1/14	310,000				
			7/1/15	325,000				
			7/1/16	345,000				
			7/1/17	360,000				
			7/1/18	375,000				
			7/1/19	395,000				
			7/1/20	410,000				
			7/1/21	435,000				
			7/1/22	450,000				
Total						<u>\$ 13,395,000</u>	<u>\$ (1,155,000)</u>	<u>\$ 12,240,000</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 934,188		\$ 934,188	\$ 934,188	
State Sources:					
Debt Service Aid Type II	806,446		806,446	806,446	
Total - State Sources	<u>806,446</u>		<u>806,446</u>	<u>806,446</u>	
TOTAL REVENUES	<u>1,740,634</u>		<u>1,740,634</u>	<u>1,740,634</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	585,634		585,634	585,634	
Redemption of Principal	<u>1,155,000</u>		<u>1,155,000</u>	<u>1,155,000</u>	
Total Regular Debt Service	<u>1,740,634</u>		<u>1,740,634</u>	<u>1,740,634</u>	
TOTAL EXPENDITURES	<u>1,740,634</u>		<u>1,740,634</u>	<u>1,740,634</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	

Greenwich Township School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	54-59
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	60-63
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	64-67
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	68-69
Operating Information (J-16 thru J-20) These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	70-74

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.

**Greenwich Township School District
Net Assets by Component,
Last Eight Fiscal Years**

(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
	<u>N/A</u>							
Governmental activities								
Invested in capital assets, net of related debt		\$ 658,666	\$ 779,102	\$ 2,260,927	\$ 2,537,365	\$ 3,080,352	\$ 3,891,031	\$ 4,402,005
Restricted		2,733,303	2,364,760	2,601,348	2,875,923	2,045,733	1,659,424	747,180
Unrestricted		(368,205)	149,338	(27,703)	(382,603)	(366,449)	(680,748)	(688,793)
Total governmental activities net assets	<u>-</u>	<u>\$ 3,023,764</u>	<u>\$ 3,293,200</u>	<u>\$ 4,834,572</u>	<u>\$ 5,030,685</u>	<u>\$ 4,759,636</u>	<u>\$ 4,869,707</u>	<u>\$ 4,460,392</u>
Business-type activities								
Invested in capital assets, net of related debt	-	\$ 121,094	\$ 104,503	\$ 87,962	\$ 102,884	\$ 91,790	\$ 85,098	\$ 76,489
Restricted	-	-	-	-	-	-	-	-
Unrestricted		32,877	36,123	51,876	50,494	51,672	51,751	47,484
Total business-type activities net assets	<u>-</u>	<u>\$ 153,971</u>	<u>\$ 140,626</u>	<u>\$ 139,838</u>	<u>\$ 153,378</u>	<u>\$ 143,462</u>	<u>\$ 136,849</u>	<u>\$ 123,973</u>
District-wide								
Invested in capital assets, net of related debt	-	\$ 779,760	\$ 883,605	\$ 2,348,889	\$ 2,640,249	\$ 3,172,142	\$ 3,976,129	\$ 4,478,494
Restricted	-	2,733,303	2,364,760	2,601,348	2,875,923	2,045,733	1,659,424	747,180
Unrestricted	-	(335,328)	185,461	24,173	(332,109)	(314,777)	(628,997)	(641,309)
Total district net assets	<u>-</u>	<u>\$ 3,177,735</u>	<u>\$ 3,433,826</u>	<u>\$ 4,974,410</u>	<u>\$ 5,184,063</u>	<u>\$ 4,903,098</u>	<u>\$ 5,006,556</u>	<u>\$ 4,584,365</u>

Source: CAFR Schedule A-1

Greenwich Township School District
Changes in Net Assets, Last Eight Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses	N/A							
Governmental activities								
Instruction								
Regular		\$ 4,163,280	\$ 4,609,970	\$ 4,229,557	\$ 4,538,871	\$ 5,023,907	\$ 4,963,085	\$ 5,156,261
Special education		830,052	1,142,800	1,341,947	1,580,345	1,621,193	1,683,557	1,538,025
Other special education		113,536	143,336	129,992	257,104	331,154	286,852	243,918
Support Services:								
Tuition		2,791,249	2,763,719	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589
Student & instruction related services		942,015	1,080,418	1,038,146	1,230,693	1,304,833	1,358,650	1,685,994
General administrative services		647,614	700,653	663,730	768,304	872,204	830,816	859,182
School administrative services		230,115	269,774	278,659	306,813	317,029	330,982	332,110
Business administrative services								
Plant operations and maintenance		684,003	726,879	837,527	950,832	1,186,874	1,163,493	1,154,066
Pupil transportation		704,462	660,824	657,533	780,797	795,535	990,879	963,560
Non-Budgeted Contributions								
Special Schools								
Charter Schools								
Interest on long-term debt		912,928	712,061	793,146	702,022	654,190	607,393	562,794
Unallocated depreciation	-	69,891	58,737	62,456	47,582	46,835	49,959	46,864
Total governmental activities expenses	-	<u>12,089,145</u>	<u>12,869,171</u>	<u>12,854,336</u>	<u>13,469,408</u>	<u>14,727,693</u>	<u>15,043,327</u>	<u>15,171,363</u>
Business-type activities:								
Food service		158,249	159,799	178,229	195,628	193,643	199,510	224,799
Total business-type activities expense	-	<u>158,249</u>	<u>159,799</u>	<u>178,229</u>	<u>195,628</u>	<u>193,643</u>	<u>199,510</u>	<u>224,799</u>
Total district expenses	-	<u>\$ 12,247,394</u>	<u>\$ 13,028,970</u>	<u>\$ 13,032,565</u>	<u>\$ 13,665,036</u>	<u>\$ 14,921,336</u>	<u>\$ 15,242,837</u>	<u>\$ 15,396,162</u>
Program Revenues								
Governmental activities:								
Charges for services:								
Instruction-Regular			\$ 19,359	\$ 37,900	\$ 35,451	\$ 44,000	\$ 47,900	\$ 15,250
Business and other support services								
Operating grants and contributions		\$ 5,641,806	6,172,743	6,119,821	6,292,468	6,620,727	7,190,179	7,297,465
Capital grants and contributions								-
Total governmental activities program revenues	-	<u>5,641,806</u>	<u>6,192,102</u>	<u>6,157,721</u>	<u>6,327,919</u>	<u>6,664,727</u>	<u>7,238,079</u>	<u>7,312,715</u>
Program Revenues -(Continued)								
Business-type activities:								
Charges for services								
Food service		115,832	122,786	147,637	151,188	152,534	159,884	160,177
Operating grants and contributions		22,883	23,610	29,730	29,077	31,085	34,486	42,109
Capital grants and contributions	-	-	-	-	-	-	-	-
Total business type activities program revenues	-	<u>138,715</u>	<u>146,396</u>	<u>177,367</u>	<u>180,265</u>	<u>183,619</u>	<u>194,370</u>	<u>202,286</u>
Total district program revenues	-	<u>\$ 5,780,521</u>	<u>\$ 6,338,498</u>	<u>\$ 6,335,088</u>	<u>\$ 6,508,184</u>	<u>\$ 6,848,346</u>	<u>\$ 7,432,449</u>	<u>\$ 7,515,001</u>

Greenwich Township School District
Changes in Net Assets, Last Eight Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue								
Governmental activities	-	\$ (6,447,339)	\$ (6,677,069)	\$ (6,696,615)	\$ (7,141,489)	\$ (8,062,966)	\$ (7,805,248)	\$ (7,858,648)
Business-type activities	-	(19,534)	(13,403)	(862)	(15,363)	(10,024)	(5,140)	(22,513)
Total district-wide net expense	<u>-</u>	<u>\$ (6,466,873)</u>	<u>\$ (6,690,472)</u>	<u>\$ (6,697,477)</u>	<u>\$ (7,156,852)</u>	<u>\$ (8,072,990)</u>	<u>\$ (7,810,388)</u>	<u>\$ (7,881,161)</u>
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes levied for general purposes, net		\$ 5,938,551	\$ 5,816,846	\$ 6,030,549	\$ 6,508,815	\$ 6,678,820	\$ 6,699,025	\$ 6,699,025
Taxes levied for debt service		972,022	987,262	979,067	857,472	918,756	899,772	934,188
Unrestricted grants and contributions								
Federal and State Aid for Capital Assets Projects								
Investment earnings		12,812	72,889	142,633	190,832	131,790	36,393	8,934
Miscellaneous income		121,196	69,508	55,149	68,401	62,551	89,384	67,606
Transfers	-						(4,434)	(4,434)
Total governmental activities	<u>-</u>	<u>7,044,581</u>	<u>6,946,505</u>	<u>7,207,398</u>	<u>7,625,520</u>	<u>7,791,917</u>	<u>7,720,140</u>	<u>7,705,319</u>
Business-type activities:								
Miscellaneous Income	-	737	58	74	94	108	93	3,637
Transfers	-						4,434	4,434
Total business-type activities	<u>-</u>	<u>737</u>	<u>58</u>	<u>74</u>	<u>94</u>	<u>108</u>	<u>4,527</u>	<u>8,071</u>
Total district-wide	<u>-</u>	<u>\$ 7,045,318</u>	<u>\$ 6,946,563</u>	<u>\$ 7,207,472</u>	<u>\$ 7,625,614</u>	<u>\$ 7,792,025</u>	<u>\$ 7,724,667</u>	<u>\$ 7,713,390</u>
Change in Net Assets								
Governmental activities	-	\$ 597,242	\$ 269,436	\$ 510,783	\$ 484,031	\$ (271,049)	\$ (85,108)	\$ (153,329)
Business-type activities	-	(18,797)	(13,345)	(788)	(15,269)	(9,916)	(613)	(14,442)
Total district	<u>-</u>	<u>\$ 578,445</u>	<u>\$ 256,091</u>	<u>\$ 509,995</u>	<u>\$ 468,762</u>	<u>\$ (280,965)</u>	<u>\$ (85,721)</u>	<u>\$ (167,771)</u>

Source: CAFR Schedule A-2

**Greenwich Township School District
Fund Balances, Governmental Funds,
Last Eight Fiscal Years**
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
General Fund								
Reserved	\$ 1,397,645	\$ 2,001,284	\$ 1,651,792	\$ 2,601,348	\$ 2,875,923	\$ 2,045,733	\$ 1,659,424	\$ 793,101
Unreserved	329,762	87,831	472,797	313,785	58,226	60,993	(181,222)	(302,203)
Total general fund	<u>\$ 1,727,407</u>	<u>\$ 2,089,115</u>	<u>\$ 2,124,589</u>	<u>\$ 2,915,133</u>	<u>\$ 2,934,149</u>	<u>\$ 2,106,726</u>	<u>\$ 1,478,202</u>	<u>\$ 490,898</u>
All Other Governmental Funds								
Reserved	\$ 145,050		\$ 26,773					-
Unreserved, reported in:								
Special revenue fund	(2,516)							-
Capital projects fund	944,408	\$ 732,019	686,195					
Debt service fund	19,318			\$ 167,482	\$ 16,447			
Permanent fund	-	-	-	-	-	-	-	
Total all other governmental funds	<u>\$ 1,106,260</u>	<u>\$ 732,019</u>	<u>\$ 712,968</u>	<u>\$ 167,482</u>	<u>\$ 16,447</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: CAFR Schedule B-1

**Greenwich Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

Exhibit J-4

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues										
Tax levy	\$ 3,453,315	\$ 4,512,998	\$ 6,368,587	\$ 6,910,573	\$ 6,804,108	\$ 7,009,616	\$ 7,366,287	\$ 7,597,576	\$ 7,598,797	\$ 7,633,213
Tuition	7,573	7,830	8,200			37,900	35,451	44,000	47,900	15,250
Interest earnings	270,103	202,188	8,357							
Miscellaneous	111,481	101,929	99,334	134,008	161,756	197,782	259,233	194,341	125,777	76,540
State sources	4,380,237	4,884,658	7,372,660	5,491,434	5,994,121	5,913,332	6,071,675	6,295,961	6,844,661	6,009,095
Federal sources	55,490	116,586	115,542	150,372	178,622	206,489	220,793	324,766	345,518	1,288,370
Total revenue	<u>8,278,199</u>	<u>9,826,189</u>	<u>13,972,680</u>	<u>12,686,387</u>	<u>13,138,607</u>	<u>13,365,119</u>	<u>13,953,439</u>	<u>14,456,644</u>	<u>14,962,653</u>	<u>15,022,468</u>
Expenditures										
Instruction										
Regular Instruction	1,789,756	2,106,995	2,335,583	2,721,424	2,914,847	2,775,264	3,113,348	3,384,413	3,313,130	3,479,123
Special education instruction	389,948	501,548	499,162	667,991	861,068	1,040,106	1,174,762	1,229,527	1,257,497	1,163,571
Other special instruction	70,402	52,580	77,615	91,369	107,999	100,753	191,120	251,150	214,258	184,533
Support Services:										
Tuition	1,713,153	2,204,946	2,586,501	2,791,249	2,763,719	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589
Student & instruction related services	416,746	502,015	607,366	758,094	814,065	804,638	914,846	989,597	1,014,815	1,275,515
General administrative services	401,218	275,353	528,439	521,172	527,923	514,439	571,125	610,072	620,560	650,002
School Administrative services	92,576	110,090	98,971	185,187	203,267	215,981	228,072	240,438	247,220	251,253
Business administrative services	107,053	114,785	120,634							
Plant operations and maintenance	357,146	387,118	514,135	550,457	547,683	649,144	706,809	900,136	869,046	873,092
Pupil transportation	424,027	486,705	542,713	704,462	660,824	657,533	780,797	795,535	990,879	963,560
Unallocated employee benefits	894,093	1,065,288	1,196,072	1,482,577	1,835,867	1,847,148	2,332,209	2,580,383	2,595,768	2,714,870
Special Revenue	77,947	159,853	180,877							
Capital outlay	7,509,723	6,437,951	1,467,431	377,815	45,397	36,639	17,597	17,000	9,400	85,030
Debt service:										
Principal	766,500	615,000	720,000	914,000	950,000	980,000	1,010,000	1,050,000	1,050,000	1,155,000
Interest and other charges	605,000	969,670	975,693	933,123	889,525	676,773	738,728	678,324	626,509	585,634
Total expenditures	<u>15,615,288</u>	<u>15,989,897</u>	<u>12,451,192</u>	<u>12,698,920</u>	<u>13,122,184</u>	<u>13,120,061</u>	<u>14,085,458</u>	<u>15,300,514</u>	<u>15,586,743</u>	<u>16,009,772</u>
Excess (Deficiency) of revenues over (under) expenditures	(7,337,089)	(6,163,708)	1,521,488	(12,533)	16,423	245,058	(132,019)	(843,870)	(624,090)	(987,304)
Other Financing Sources (uses)										
Bond proceeds		5,784,365								
Transfers in	276,177	281,695	8,357							
Transfers out	(612,177)	(281,695)	(8,357)						(4,434)	
Total other financing sources (uses)	<u>(336,000)</u>	<u>5,784,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,434)</u>	<u>-</u>
Net change in fund balances	<u>\$(7,673,089)</u>	<u>\$(379,343)</u>	<u>\$ 1,521,488</u>	<u>\$(12,533)</u>	<u>\$ 16,423</u>	<u>\$ 245,058</u>	<u>\$(132,019)</u>	<u>\$(843,870)</u>	<u>\$(628,524)</u>	<u>\$(987,304)</u>
Debt service as a percentage of noncapital expenditures	16.9%	16.6%	15.4%	15.0%	14.1%	12.7%	12.4%	11.3%	10.8%	10.9%

Source: CAFR Schedule B-2

GREENWICH TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Prior Year</u> <u>Expenditures</u>	<u>Tuition</u>	<u>Donations</u>	<u>Transportation</u> <u>Courtesy</u> <u>Busing</u>	<u>Building</u> <u>Use</u>	<u>Recreation</u> <u>Club</u> <u>Fees</u>	<u>Summer</u> <u>Program</u>	<u>Miscellaneous</u>	<u>Total</u>
2001	\$ 41,117	\$ 5,232	\$ 7,573		\$ 49,619				\$ 9,439	\$ 112,980
2002	24,430	2,203	7,830		54,000				10,268	98,731
2003	19,525	12,002	8,200	\$ 53,040		\$ 6,150	\$ 14,671		2,303	115,891
2004	7,170	2,458	16,150	15,648			17,985	\$ 33,090	35,865	128,366
2005	72,889	2,018	19,359	12,196			22,455		32,839	161,756
2006	123,211	2,305	37,900	14,896			23,148		14,800	216,260
2007	190,832	19,793	35,451	9,260			20,434		18,914	294,684
2008	131,790		1,959	1,000			20,765		38,827	194,341
2009	36,393		47,900	13,646			28,390		47,348	173,677
2010	8,934	3,019	15,250	6,031					56,014	89,248

SOURCE: District Records

**Greenwich Township School District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years**

Exhibit J-6

Fiscal Year Ended June 30.	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2001	\$20,391,700	\$247,990,400	\$7,723,900	\$1,488,340	\$25,968,900	\$7,927,600	-	\$321,011,267	\$7,549,800	\$1,970,627	\$313,461,467	\$1.099	\$317,739,085
2002	9,342,000	306,376,900	7,976,400	1,455,240	25,800,000	7,927,600	-	368,615,347	7,695,800	2,041,407	360,919,547	1.247	381,274,966
2003	9,840,300	439,280,970	9,245,000	2,408,600	38,511,500	14,709,000	-	524,703,710	8,285,960	2,422,380	516,417,750	1.232	449,734,434
2004	3,615,000	456,680,690	9,780,200	2,420,500	66,312,000	14,709,000	-	564,166,408	8,287,260	2,361,758	555,879,148	1.245	549,187,993
2005	3,875,000	461,184,690	10,865,400	2,412,000	77,021,200	14,709,000	-	581,132,211	8,777,460	2,287,461	572,354,751	1.186	593,567,140
2006	3,244,500	464,024,890	11,269,300	2,399,700	76,932,100	14,698,000	-	583,604,861	8,993,660	2,042,711	574,611,201	1.220	656,944,800
2007	3,406,900	468,353,590	11,312,500	2,252,200	77,099,500	14,947,300	-	590,004,622	10,995,260	1,637,372	579,009,362	1.273	764,587,649
2008	4,047,000	470,971,990	11,579,300	2,201,200	87,616,600	14,947,300	-	604,347,324	11,359,760	1,624,174	592,987,564	1.283	810,621,323
2009	2,631,200	473,284,390	11,673,600	2,186,100	86,629,100	14,947,300	-	604,711,699	11,616,960	1,743,049	593,094,739	1.280	828,914,477
2010	1,878,700	474,696,200	11,730,800	2,217,500	88,422,900	14,947,300	-	607,362,891	11,705,250	1,764,241	595,657,641	1.283	835,757,738

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

**Greenwich Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Greenwich Township Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Greenwich Township	Library	Warren County	
2001	\$0.973	\$0.126	\$1.099	\$0.120	\$0.064	\$0.753	\$2.036
2002	\$1.109	\$0.138	\$1.247	\$0.155	\$0.066	\$0.748	\$2.216
2003	\$1.097	\$0.135	\$1.232	\$0.162	\$0.053	\$0.570	\$2.017
2004	\$1.078	\$0.167	\$1.245	\$0.185	\$0.053	\$0.617	\$2.100
2005	\$1.016	\$0.170	\$1.186	\$0.257	\$0.055	\$0.639	\$2.137
2006	\$1.049	\$0.171	\$1.220	\$0.384	\$0.059	\$0.677	\$2.340
2007	\$0.971	\$0.302	\$1.273	\$0.398	\$0.068	\$0.761	\$2.500
2008	\$0.992	\$0.291	\$1.283	\$0.398	\$0.073	\$0.766	\$2.520
2009	\$0.997	\$0.283	\$1.280	\$0.414	\$0.073	\$0.778	\$2.545
2010	\$0.991	\$0.292	\$1.283	\$0.425	\$0.073	\$0.762	\$2.543

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 calcu

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.

**Greenwich Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Greenwich Station	\$ 19,485,500	1	3.27%			
Lowe's Home Centers, Inc.	14,295,500	2	2.40%			
Inland Western Pburg Greenwich, LLC	14,000,000	3	2.35%			
Medarex, Inc.	11,467,800	4	1.93%			
Target Corp.	10,000,000	5	1.68%			
Starwood, Ceruzzi Phillipsburg, LLC	7,202,600	6	1.21%			
Greenwich Commons, II, LLC	3,250,000	7	0.55%			
OM SAI, Inc.	2,388,900	8	0.40%			
Polaris Warren, LLC	2,130,400	9	0.36%			
Rellum Realty	1,987,800	10	0.33%	\$ 963,700	7	0.59%
Koh-I-Noor, Inc.				6,933,750	1	4.25%
Tamburro Realty				2,205,100	2	1.35%
Greenwich Chase				1,330,500	4	0.82%
New Jersey Bell				1,249,016	5	0.77%
Phillipsburg Easton Honda				1,040,600	6	0.64%
Preston Trucking				738,000	8	0.45%
Quaker City Motor Parts				700,900	9	0.43%
Superior Quartz				685,800	10	0.42%
Total	<u>\$ 86,208,500</u>		<u>14.47%</u>	<u>\$ 15,847,366</u>		<u>9.72%</u>

Source: District CAFR & Municipal Tax Assessor

**Greenwich Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

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	
2001	\$ 2,956,482	\$ 2,956,482	100.00%	-
2002	\$ 3,817,955	\$ 3,817,955	100.00%	-
2003	\$ 5,438,463	\$ 5,438,463	100.00%	-
2004	\$ 5,938,551	\$ 5,938,551	100.00%	-
2005	\$ 5,816,846	\$ 5,816,846	100.00%	-
2006	\$ 6,030,549	\$ 6,030,549	100.00%	-
2007	\$ 6,508,815	\$ 6,508,815	100.00%	-
2008	\$ 6,678,820	\$ 6,678,820	100.00%	-
2009	\$ 6,699,025	\$ 6,699,025	100.00%	-
2010	\$ 6,699,025	\$ 6,699,025	100.00%	-

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.

**Greenwich Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2001	\$ 14,715,000	-	-	-	-0-	\$ 14,715,000	9.95%	\$3,301.55
2002	\$ 19,884,000	-	-	-	-0-	\$ 19,884,000	12.14%	\$4,107.42
2003	\$ 19,164,000	-	-	-	-0-	\$ 19,164,000	10.94%	\$3,776.90
2004	\$ 18,250,000	-	-	-	-0-	\$ 18,250,000	9.94%	\$3,538.19
2005	\$ 17,330,000	-	-	-	-0-	\$ 17,330,000	9.11%	\$3,360.48
2006	\$ 16,350,000	-	-	-	-0-	\$ 16,350,000	8.03%	\$3,166.15
2007	\$ 15,495,000	-	-	-	-0-	\$ 15,495,000	7.17%	\$3,006.40
2008	\$ 14,445,000	-	-	-	-0-	\$ 14,445,000	6.57%	\$2,819.64
2009	\$ 13,395,000	-	-	-	-0-	\$ 13,395,000	6.11%	\$2,620.31
2010	\$ 12,240,000	-	-	-	-0-	\$ 12,240,000	5.61%	\$2,404.72

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.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

Greenwich Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2001	\$ 14,715,000	-0-	\$ 14,715,000	4.69%	\$ 3,302
2002	\$ 19,884,000	-0-	\$ 19,884,000	5.51%	\$ 4,107
2003	\$ 19,164,000	-0-	\$ 19,164,000	3.71%	\$ 3,777
2004	\$ 18,250,000	-0-	\$ 18,250,000	3.28%	\$ 3,538
2005	\$ 17,330,000	-0-	\$ 17,330,000	3.03%	\$ 3,360
2006	\$ 16,350,000	-0-	\$ 16,350,000	2.85%	\$ 3,166
2007	\$ 15,495,000	-0-	\$ 15,495,000	2.68%	\$ 3,006
2008	\$ 14,445,000	-0-	\$ 14,445,000	2.44%	\$ 2,820
2009	\$ 13,395,000	-0-	\$ 13,395,000	2.26%	\$ 2,620
2010	\$ 12,240,000	-0-	\$ 12,240,000	2.05%	\$ 2,405

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-14.

**Greenwich Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2010**

Exhibit J-12

<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 Greenwich Township	\$ 1,331,053	100.000%	\$ 1,331,053
Other debt Warren County	7,775,000	5.980%	<u>464,916</u>
Subtotal, overlapping debt			1,795,969
Greenwich Township School District Direct Debt			<u>12,240,000</u>
Total direct and overlapping debt			<u><u>\$ 14,035,969</u></u>

Sources: Greenwich Township Finance Officer, Warren County Finance Office and Utility Authorities

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. 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.

**Greenwich Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years**

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2010

	Equalized valuation basis
	2009 \$ 797,172,349
	2008 828,804,050
	2007 825,580,609
	[A] \$ <u>2,451,557,008</u>
Average equalized valuation of taxable property	[A/3] \$ 817,185,669
Debt limit (3 % of average equalization value)	[B] 24,515,570
Net bonded school debt	[C] <u>12,240,000</u>
Legal debt margin	[B-C] \$ <u>12,275,570</u>

	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$8,317,751	\$10,211,147	\$12,550,116	\$16,475,640	\$17,299,744	\$19,785,436	\$21,941,101	\$23,690,775	\$24,427,134	24,515,570
Total net debt applicable to limit	14,715,000	19,884,000	19,164,000	18,250,000	17,330,000	16,350,000	15,495,000	14,445,000	13,395,000	12,240,000
Legal debt margin	<u>(\$6,397,249)</u>	<u>(\$9,672,853)</u>	<u>(\$6,613,884)</u>	<u>(\$1,774,360)</u>	<u>(\$30,256)</u>	<u>\$3,435,436</u>	<u>\$6,446,101</u>	<u>\$9,245,775</u>	<u>\$11,032,134</u>	<u>\$12,275,570</u>
Total net debt applicable to the limit as a percentage of debt limit	176.91%	194.73%	152.70%	110.77%	100.17%	82.64%	70.62%	60.97%	54.84%	49.93%

Source: Abstract of Ratables and District Records CAFR Schedule J-7

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

**Greenwich Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2001	4,457	\$ 147,856,518	\$33,174 R	3.2%
2002	4,841	\$ 163,843,645	\$33,845 R	4.0%
2003	5,074	\$ 175,129,110	\$34,515 R	5.2%
2004	5,158	\$ 183,511,324	\$35,578 R	3.9%
2005	5,157	\$ 190,200,474	\$36,882 R	2.5%
2006	5,164	\$ 203,709,472	\$39,448 R	2.7%
2007	5,154	\$ 216,096,912	\$41,928 R	2.5%
2008	5,123	\$ 219,761,331	\$42,897	3.3%
2009	5,112	\$ 219,289,464	\$42,897 *	6.0%
2010	5,090	\$ 218,345,730	\$42,897 *	*

Source:

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

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

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

R =Revised

* =Current data unavailable

**Greenwich Township School District
Principal Employers,
Current Year and Nine Years Ago**

**Exhibit J-15
N/A**

<u>Employer</u>	<u>2010</u>			<u>2001</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
		1	0.00%	-	1	0.00%
		2	0.00%	-	2	0.00%
		3	0.00%	-	3	0.00%
		4	0.00%	-	4	0.00%
		5	0.00%	-	5	0.00%
		6	0.00%	-	6	0.00%
		7	0.00%	-	7	0.00%
		8	0.00%	-	8	0.00%
		9	0.00%	-	9	0.00%
		10	0.00%	-	10	0.00%
	<u>-</u>			<u>-</u>		
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Source:
No reliable information for Employer
Data available at Local or County level

**Greenwich Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

Exhibit J-16

<u>Function/Program</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Instruction										
Regular	50	49	53	60	60	58	51	61	65	59
Special education	21	18	22	25	30	35	47	35	29	33
Other special education	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Student & instruction related services	9	10	13	14	17	16	14	20	18	15
General administrative services	3	3	4	4	4	5	4	5	5	5
School administrative services	2	2	2	3	4	4	4	4	4	4
Central Services	2	2	2	3	3	3	3	3	3	2
Plant operations and maintenance	5	7	9	10	10	11	10	11	10	11
Special Schools	-	-	-	-	-	-	-	-	-	-
Total	92	91	105	119	128	132	133	139	134	129

Source: District Personnel Records

**Greenwich Township School District
Operating Statistics
Last Ten Fiscal Years**

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2001	779	\$ 6,753,663	\$ 8,670	12.18%	61	1:20		763.6	731.1	16.69%	95.70%
2002	866	\$ 7,967,276	\$ 9,200	6.12%	65	1:18		847.8	814.2	11.03%	96.04%
2003	899	\$ 9,288,068	\$ 10,332	12.30%	74	1:18		882.4	845.3	4.08%	95.80%
2004	922	\$ 10,473,982	\$ 11,360	9.96%	82	1:19		908.1	873.0	2.91%	96.13%
2005	952	\$ 11,237,262	\$ 11,804	3.91%	90	1:20		949.3	909.2	4.54%	95.78%
2006	969	\$ 11,224,623	\$ 11,584	-1.86%	84	*		968.7	927.0	2.04%	95.70%
2007	986	\$ 12,113,720	\$ 12,286	6.06%	84	*		991.7	950.0	2.37%	95.80%
2008	999	\$ 12,113,720	\$ 12,126	-1.30%	96	*		1,003.9	962.5	1.23%	95.80%
2009	983	\$ 13,564,716	\$ 13,799	13.80%	94	*		986.0	934.0	-1.78%	95.80%
2010	968	\$ 13,800,689	\$ 14,257	3.32%	90	*		974.8	922.4	-1.14%	94.62%

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).

* Pupil/Teacher Ratio based on School Report Card data--not available

**Greenwich Township School District
School Building Information
Last Ten Fiscal Years**

Exhibit J-18

<u>District Building</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Elementary</u>										
Greenwich (2001)										
Square Feet	66,756	66,756	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146
Capacity (students)	430	430	720	720	720	720	720	720	720	720
Enrollment	558	608	636	661	676	690	690	687	669	661
<u>Middle School</u>										
Stewartsville (1969)										
Square Feet	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815
Capacity (students)	400	400	400	400	400	400	400	400	400	400
Enrollment	209	239	265	262	276	279	279	312	314	307

Number of Schools at June 30, 2010

Source: District records, ASSA

Elementary = 1
Middle School = 1

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Eight Fiscal Years Ending June 30, 2010

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Total</u>
Stewartsville School	070	\$ 7,937	\$ 21,120	\$ 26,842	\$ 28,383	\$ 33,833	\$ 39,520	\$ 40,706	\$ 48,729	\$ 247,070
Greenwich School	999	8,599	34,460	43,795	46,308	55,202	64,480	65,394	79,506	397,744
Total School Facilities		16,536	55,580	70,637	74,691	89,035	104,000	106,100	128,235	644,814
Other Facilities		NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Grand Total		\$ 16,536	\$ 55,580	\$ 70,637	\$ 74,691	\$ 89,035	\$ 104,000	\$ 106,100	\$ 128,235	\$ 644,814

GREENWICH TOWNSHIP SCHOOL DISTRICT

INSURANCE SCHEDULE

June 30, 2010

UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy-SAIF		
Property-Blanket Building and Contents	\$ 250,000,000	\$ 1,000
Comprehensive General Liability	5,000,000	
Comprehensive Automobile Liability	5,000,000	
Workers' Compensation	5,000,000	
Crime - AIG		
Employee Dishonesty	400,000	1,000
Money & Securities	2,500,000	
Forgery	50,000	
Computer Fraud	50,000	
Surety Bonds-Brown & Brown of N.J., Inc.		
Board Secretary	205,000	
Board Treasurer	202,000	

SOURCE: District Records

Single Audit Section



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 Anthony F. Ardito, PA, RMA, PSA

**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
 Greenwich Township School District
 County of Warren
 Stewartsville, New Jersey 08886

We have audited the financial statements of the Board of Education of the Greenwich Township School District in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated October 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Greenwich Township School District 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 Greenwich Township School District Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Greenwich Township School District Board of Education's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

-Continued-

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

Compliance and Other Matters

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

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



Licensed Public School Accountant No.2369
ARDITO & CO., LLP

Date: October 15, 2010



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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
 Greenwich Township School District
 County of Warren
 Stewartsville, New Jersey 08886

Compliance

We have audited the compliance of the Greenwich Township School District in the County of Warren, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2010. The Greenwich Township School District 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 Greenwich Township School District Board of Education's management. Our responsibility is to express an opinion on the Greenwich Township School District 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; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133, and New Jersey OMB Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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.

-Continued-

An audit includes examining, on a test basis, evidence about the Greenwich Township School District 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 Greenwich Township School District Board of Education's compliance with those requirements.

In our opinion the Board of Education of the Greenwich Township School District, in the County of Warren, 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, 2010.

Internal Control Over Financial Reporting

The management of the Board of Education of the Greenwich Township School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Greenwich Township School District 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Greenwich Township School District Board of Education's internal control over compliance.

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

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

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



Licensed Public School Accountant No.2369
ARDITO & CO., LLP

Date: October 15, 2010

GREENWICH TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2010

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA No.	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2009	Carryover/ Walkover Amount	Cash Received	Budget Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2010			Cumulative Total Expenditures
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education															
General Fund:															
ARRA-SFSF-ESF (Educ. State Grants)	84.394	N/A	\$ 791,811	7/1/09	6/30/10			\$ 791,811	\$ (791,811)						\$ 791,811
ARRA-SFSF-GSF (Government Services)	84.397	N/A	30,652	7/1/09	6/30/10			30,652	(30,652)						30,652
Total General Fund						-	-	822,463	(822,463)	-	-	-	-	-	822,463
U.S. Dept. of Education Passed- Through State Dept. of Education:															
Special Revenue Fund:															
TITLE I	84.010	NCLB279010	\$ 17,629	9/1/09	8/31/10			\$ 14,549	\$ (17,629)		\$ (3,080)				17,629
TITLE I (A)	84.367A	NCLB279010	11,580	9/1/09	8/31/10	\$ (11,835)		20,415	(11,580)		(3,000)				11,580
TITLE I (D)	84.318X	NCLB279010	180	9/1/09	8/31/10			-	(180)		(180)				180
TITLE IV	84.186A	NCLB279010	1,602	9/1/09	8/31/10			-	(1,602)		(1,602)				1,602
I.D.E.A. Part B, Basic Regular	84.027	FT184010	190,875	9/1/09	8/31/10	(26,280)		169,109	(190,875)		(48,046)				190,875
I.D.E.A. Part B, Preschool	84.173	FT184010	10,810	9/1/09	8/31/10			10,810	(10,810)						10,810
ARRA - I.D.E.A. Part B	84.391	FT367510	262,270	9/1/09	8/31/11			202,606	(123,233)		(59,664)	\$ 139,037			123,233
ARRA - I.D.E.A. Preschool	84.392	FT367510	9,490	9/1/09	8/31/11			3,074	(3,074)		(6,416)	6,416			3,074
History Surrounds Us	84.215X	U215X070239	493,968	7/1/07	6/30/10	4,381		100,000	(103,558)			823			103,558
Youth Organized for Disaster Action	93.670		5,000	9/1/09	8/31/10			5,000	(5,000)						5,000
Total Special Revenue Fund						(33,734)		525,563	(467,541)		(121,988)	146,276			467,541
Enterprise Fund:															
Food Distribution Program	10.565	N/A		7/1/08	6/30/09	\$ 4,812			\$ (4,812)						4,812
Food Distribution Program	10.565	N/A	13,855	7/1/09	6/30/10			\$ 13,855	(7,668)			\$ 6,187			7,668
National School Lunch Program	10.555	N/A		7/1/08	6/30/09	(1,358)		1,358							
National School Lunch Program	10.555	N/A	27,597	7/1/09	6/30/10			25,629	(27,597)		\$ (1,968)				27,597
Total Enterprise Fund						3,454		40,842	(40,077)		(1,968)	6,187			40,077
TOTAL FEDERAL ASSISTANCE						\$ (30,280)		\$ 1,388,868	\$ (1,330,081)		\$ (123,956)	\$ 152,463			\$ 1,330,081

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

GREENWICH TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2010

Schedule B

State Grantor/Pass-Through Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30 2009	Carryover/ Walkover/ Amount	Cash Received	Budget Expenditures	Adjust.	Repayment of Prior Years' Balances	BALANCE AT JUNE 30, 2010			MEMO	
			From	To							Accounts Receivable	Interfund Payable/ Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expend.
STATE DEPARTMENT OF EDUCATION															
General Fund:															
Equalization Aid	10-495-034-5120-078	\$ 3,300,763	7/1/09	6/30/10			\$ 3,300,763	\$ (3,300,763)						*	
Transportation Aid	10-495-034-5120-014	368,174	7/1/09	6/30/10			368,174	(368,174)						*	\$ 436,622 \$ 3,300,763
Special Education Aid	10-495-034-5120-089	664,582	7/1/09	6/30/10			664,582	(664,582)						*	54,560 368,174
Security Aid	10-495-034-5120-084	57,653	7/1/09	6/30/10			57,653	(57,653)						*	64,016 664,582
Extraordinary Aid	09-495-034-5120-044		7/1/08	6/30/09	\$ (117,148)		117,148	-						*	8,544 57,653
Extraordinary Aid	10-495-034-5120-044	98,899	7/1/09	6/30/10				(98,899)		\$ (98,899)				*	- 98,899
Non-Public Transportation Aid	09-495-034-5120-044		7/1/08	6/30/09	(23,592)		23,592	-						*	-
Non-Public Transportation Aid	10-495-034-5120-044	13,996	7/1/09	6/30/10				(13,996)		(13,996)				*	13,996
On-behalf TPAF Pension Contrib.	10-495-034-5095-001	346,883	7/1/09	6/30/10			346,883	(346,883)						*	346,883
Reimbursed TPAF Soc.Sec.Contrib.	10-495-034-5095-002	376,848	7/1/09	6/30/10			376,848	(376,848)						*	376,848
Total General Fund					(140,740)		5,255,643	(5,227,798)			(112,895)			*	563,742 5,227,798
Debt Service Fund															
Debt Service Aid Type 2	10-100-034-5120-124	806,446	7/1/09	6/30/10			806,446	(806,446)						*	806,446
Total Debt Service							806,446	(806,446)						*	806,446
Enterprise Fund:															
Nat.School Lunch Prog.(State Share)	09-100-010-3350-023		7/1/08	6/30/09	(107)		107							*	
Nat.School Lunch Prog.(State Share)	10-100-010-3350-023	2,032	7/1/09	6/30/10			1,890	(2,032)		\$ (142)				*	2,032
Total Enterprise Fund					(107)		1,997	(2,032)		(142)				*	2,032
TOTAL STATE FINANCIAL ASSISTANCE					\$ (140,847)		- \$ 6,064,086	\$ (6,036,276)		-	\$ (113,037)		-	*	\$ 563,742 \$ 6,036,276

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

NOTES TO THE SCHEDULES OF FEDERAL AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2010

NOTE 1. GENERAL

The accompanying schedule of expenditures of federal and state financial assistance includes federal and state award activity of the Board of Education, Greenwich Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of federal 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. 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 *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(25,149) for the general fund and \$(1,634) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF FEDERAL AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2010

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 822,463	\$ 5,202,649	\$ 6,025,112
Special Revenue Fund	465,907	-	465,907
Debt Service Fund		806,446	806,446
Food Service Fund	<u>40,077</u>	<u>2,032</u>	<u>42,109</u>
Total Financial Assistance	<u>\$ 1,328,447</u>	<u>\$ 6,011,127</u>	<u>\$ 7,339,574</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2010. TPAF Social Security Contributions represents the amount reimbursed by the state for employer's share of social security contributions for TPAF members for the year ended June 30, 2010.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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) Were significant deficiencies identified that were not considered to be material weaknesses?
___ Yes
x None Reported
- C) Noncompliance material to financial statements noted? ___ Yes x No

Federal Awards Section

- D) Dollar threshold used to determine Type A programs: \$300,000
- E) Auditee qualified as low-risk auditee? ___ Yes x No
- F) Type of auditor's report on compliance for major programs: Unqualified
- G) Internal Control over compliance:
 1) Material weakness(es) identified? ___ Yes x No
 2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes x No
- H) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133(Section .510(a))? ___ Yes x No
- I) Identification of major programs:

<u>CFDA NUMBER(S)</u>	<u>NAME OF FEDERAL PROGRAM OR CLUSTER</u>
84.394	ARRA-SFSF-ESF
84.397	ARRA-SFSF-GSF
84.391	ARRA-IDEA B
84.392	ARRA-IDEA PS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part I - Summary of Auditor's Results

State Financial Assistance Section

- J) Dollar threshold used to determine Type A programs: \$300,000
- K) Auditee qualified as low-risk auditee? (1) x_yes__no
- L) Type of auditor's report on compliance for major programs: Unqualified
- M) Internal Control over compliance:
 1) Material weakness(es) identified? ___yes x no
 2) Were significant deficiencies identified that were not considered to be material weaknesses? ___yes x none reported
- N) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular 04-04? ___yes x no
- O) Identification of major programs:

GMIS Number(s)

Name of State Program

10-495-034-5120-014
10-495-034-5120-078
10-495-034-5095-002

Transportation Aid
Equalization Aid
Reimbursed TPAF Soc. Sec. Contrib.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Section II-Financial Statement Findings

There were no matters of noncompliance or reportable conditions noted, that are required to be reported in accordance with Government Auditing Standards.

Section III - Federal and State Financial Assistance Findings and Questioned Costs

FEDERAL AND STATE FINANCIAL ASSISTANCE-There were no federal or state financial assistance findings or questioned costs that are required to be reported in accordance with OMB Circular A-133 or with NJOMB Circular 04-04.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. There were no prior year findings.