

**SCHOOL DISTRICT OF
MEDFORD TOWNSHIP**

MEDFORD BOARD OF EDUCATION
Medford, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

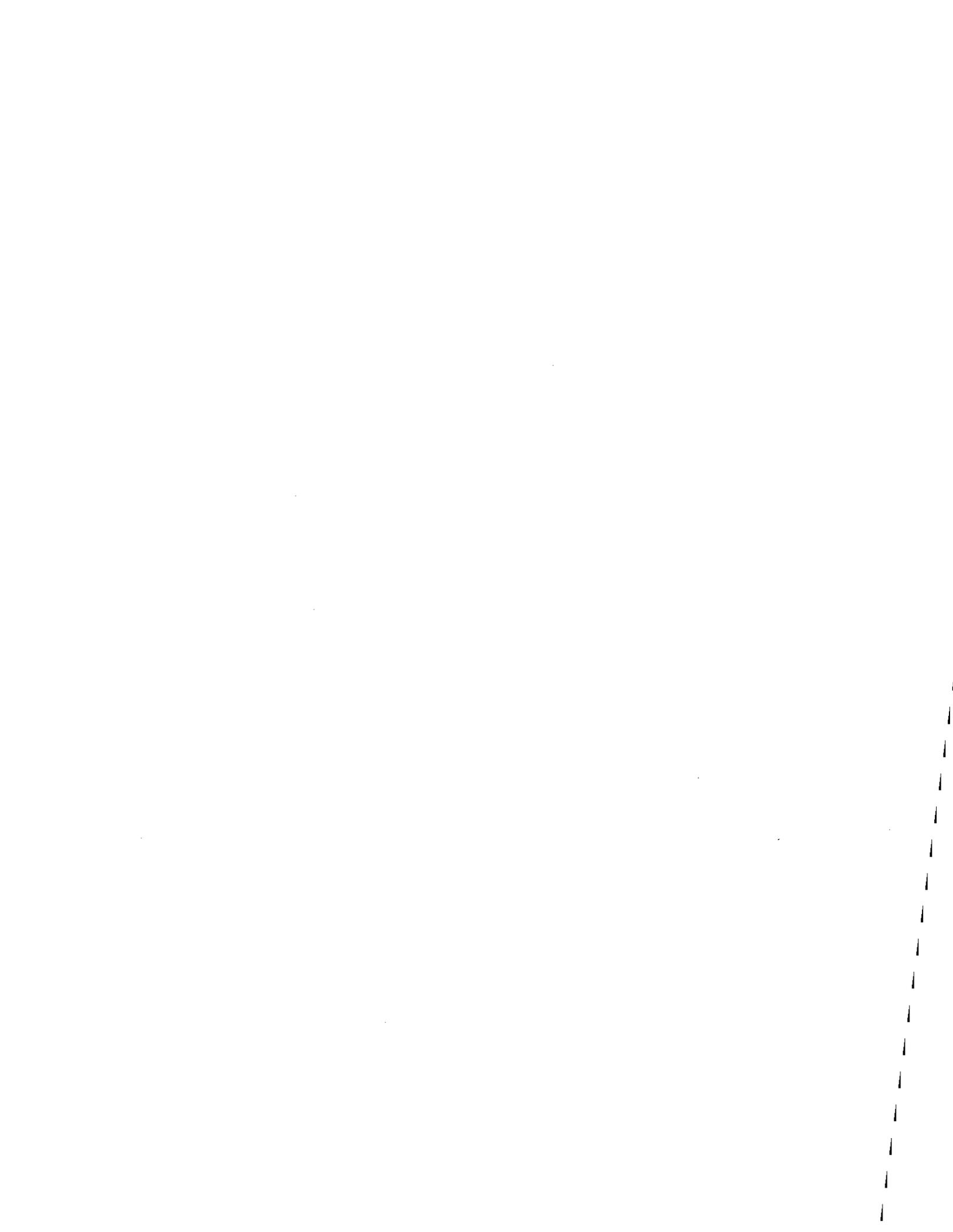
MEDFORD TOWNSHIP BOARD OF EDUCATION

MEDFORD, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Prepared by

**Medford Township Board of Education
Finance Department**



INTRODUCTORY SECTION





Medford Township Public Schools

128 Route 70, Suite 1, Medford, New Jersey 08055
(609) 654-6416 Fax (609) 654-7436

September 30, 2010

Honorable President and
Members of the Board of Education
Township of Medford School District
County of Burlington
Medford, NJ 08055

The comprehensive annual financial report of the Medford Township School District (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 representation, including all disclosures, rests with management of the Board of Education (Board). To the best of our knowledge and belief, the data is 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 the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Government and Non-Profit Organizations", and the state Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133, are included in the single audit section of this report.

- 1) Reporting Entity And Its Services: Medford 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 Medford Township Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre K through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2009-2010 fiscal year with an average daily enrollment of 3,117 students, which is 34 students above the previous year's average daily 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>
2009-2010	3,118.1	1.106%
2008-2009	3,083.0	.0079%
2007-2008	3,059.0	-1.07%
2006-2007	3,092.0	.0012%
2005-2006	3,095.7	1.65%
2004-2005	3,045.6	1.67%
2003-2004	2,995.6	.41%
2002-2003	2,983.5	.73%
2001-2002	2,962.0	4.74%
2000-2001	2,828.2	2.98%

- 2) Economic Condition And Outlook: Medford Township has adopted a stance on growth, attempting to establish new development at a ratio of 60% commercial and 40% residential. Municipal utilities are taxed at the current time and there is very little sewer capacity available for new growth.

Due to the fiscal crisis at the State level, the State of New Jersey has significantly reduced its financial commitment to the Medford Township Schools and thus, the Medford Township taxpayers. In February 2010, the State of New Jersey arbitrarily withheld \$1,647,000 of state funding promised by statute, to the Medford Township Schools. In addition, the State of New Jersey reduced educational funding to the Medford Township Schools by 40% (\$2,300,000) for the 2010-11 fiscal year. Thus, the Medford Township Schools were placed in a situation to reduce thirty-seven (37) staff members and request a tax increase of \$1,580,000 from its residents. The 2010-11 budget was narrowly defeated and was forwarded to the Township Council for resolution. Subsequently, due to the severe economic downturn in the State and the nation, the Medford Township Council reduced the School budget by an additional \$1,000,000. Therefore, in a three month period during 2010, the Medford Township Public Schools lost \$5,000,000 or 11% of its budget. Unfortunately, the financial outlook for the near future is grim, at best, with further reductions coupled with new sources of revenue, needed to sustain fiscal stability.

The majority of employment for residents is outside of the township creating a sense that Medford is, in many respects, a bedroom community. The Board of Education is one the largest employers in the township, employing a combined 529 full and part-time people.

Medford is primarily a middle-class community with few minorities. Most housing is single-family units, and most are within identified subdivisions. There are relatively few apartments and townhouses, although recent development has included low income, COAH Housing, with the addition of the Creekside at Medford and Medford Heights Apartments.

It is a family oriented community with many activities being offered under the auspices of both the municipal recreation council and the Medford Youth Athletic Association. In addition, each of the subdivisions has its own homeowners association and provides social and recreational activities for the development.

- 3) Major Initiatives: The 2009-2010 budget provided for maintenance of the existing curriculum with the following three initiatives: (A) Implementation of the comprehensive elementary Language Arts Literacy program; (B) Differentiated Instruction Staff Development at the Middle School Level; (C) Technology Initiative to enhance district website management. Continued staff instruction on

Inclusion Strategies and a wide variety of topics designed to keep performance high on standardized test scores as our population changes, and new staff members become familiar with the expectations and culture of our town. We continued to improve upon the development of staff training materials and courses to educate all teachers on the use of the Internet throughout curricular areas.

- 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 statement 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 judgements by management.

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

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

- 5) Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2010.

- 6) Accounting System And Reports: The District's accounting records reflect generally accepted accounting principals, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.
- 7) Financial Information At Fiscal Year End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2010 and the amount and percentages of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent Increase (Decrease)</u>
Local Sources				
Local Tax Levy	\$38,382,674	80.28%	\$959,769	2.50%
Miscellaneous	727,080	1.52%	31,335	4.5%
State Sources	6,688,886	13.99%	(1,628,103)	(24.34%)
Federal Sources	<u>2,013,042</u>	<u>4.21%</u>	<u>1,183,589</u>	<u>5.88%</u>
Total	<u>\$47,811,682</u>	<u>100.00%</u>	<u>\$ 546,590</u>	

The increase in local sources was attributed to a 4.9 cent increase in the local tax levy.

The decrease in state sources was attributed to the State of New Jersey eliminating the district's last ten (10) state aid payments due to the State's fiscal crisis. The increase in federal sources is specifically due to funds received from the American Recovery and Reinvestment Act (ARRA) IDEA (Federal Special Education Funding) one time stimulus grant amounting to \$707,876.

The following schedule presents a summary of general fund, capital outlay, summer school and debt service fund expenditures for the fiscal year ended June 30, 2010 including the percentage of increases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent Increase (Decrease)</u>
Current Expense:				
Instruction	\$18,024,839	35.97%	\$ (173,053)	.95%
Undistributed Expenditures	27,645,143	55.17%	2,566,340	10.23%
Capital Outlay	1,002,028	2.00%	(244,564)	(19.62%)
Special School	80,512	.16%	9,684	13.67%
Debit Service:				
Principal	1,870,000	3.73%	95,000	5.35%
Interest	<u>1,489,150</u>	<u>2.97%</u>	<u>(80,758)</u>	<u>(5.73%)</u>
Total	<u>\$50,111,672</u>	<u>100.00%</u>	<u>\$2,172,649</u>	

8) Debt Administration: At June 30, 2010 the District's outstanding debt issues included \$33,230,000 of general obligation bonds and \$850,659 of Capital Lease obligations.

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 Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10) Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. In addition, the District's long standing participation in the

Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF) has resulted in continued premium savings through enhanced Risk Management emphasis, policies and practices adopted by the JIF.

- 11) Other Information: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, P.C., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirement of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single section of this report.

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

Respectively submitted,

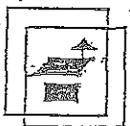
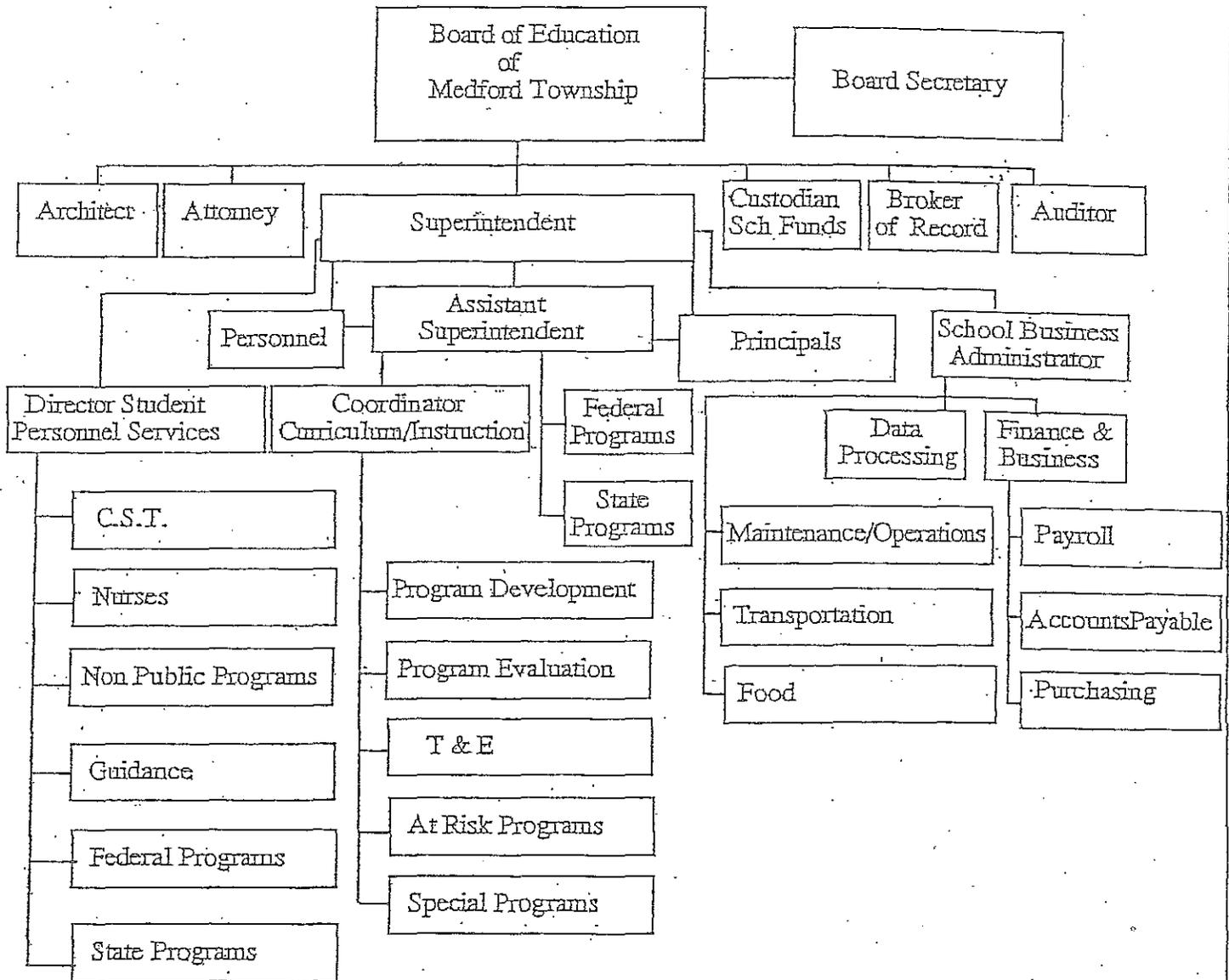
Joseph J. Del Rossi

Dr. Joseph J. DelRossi
Superintendent

Bryan C. McGair

Bryan C. McGair,
Assistant Superintendent for
Finance and Support Services

1110 ORGANIZATIONAL CHART



MEDFORD TOWNSHIP PUBLIC SCHOOLS

128 Route 70, Suite 1
Medford, New Jersey 08055

ROSTER OF OFFICIALS

June 30, 2010

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Janet Law Clancy, President	2012
Michael Etter, Vice President	2013
Kathleen Chang	2012
Trudy Cole	2013
Ann Davidson	2011
Kristin Gallagher	2013
Michelle Hammel	2012
Katherine Santamore	2011
Debra Tarrant	2011

OTHER OFFICIALS

Dr. Joseph J. Del Rossi, Superintendent of Schools

Bryan C. McGair, Assistant Superintendent for Finance and Support Services

N. Janet Cooper, Treasurer

Parker McCay, Solicitor

MEDFORD TOWNSHIP PUBLIC SCHOOLS

128 Route 70, Suite 1
Medford, New Jersey 08055

CONSULTANTS AND ADVISORS

ARCHITECT

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

AUDIT FIRM

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

ATTORNEY

Parker McCay
3 Greentree Center
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OFFICIAL DEPOSITORY

Beneficial Bank
200 Tuckerton Road
Medford, New Jersey 08055

FINANCIAL SECTION



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Medford Township
County of Burlington
Medford, New Jersey 08055

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Medford Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2010, which collectively comprise the District's financial statements as listed in the table of contents. These financial statements are the responsibility of the Medford Township 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; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Medford Township School District, County of Burlington, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2010, on our consideration of the Medford Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis information and budgetary comparison information as listed in the table of contents is not a required part of the 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

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regarding the methods of measurement and presentation of the 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 Medford Township Board of Education's financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the financial statements, in our opinion, are fairly stated, in all material respects, in relation to the 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 financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are not a required part of the 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.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



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

Medford, New Jersey
September 17, 2010

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

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MEDFORD TOWNSHIP BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2010

This section of the Medford Township Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2010. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements - Managements Discussion and Analysis for State and Local Governments* issued in June 1999 that is required by the New Jersey State Department of Education. Comparative information between the completed fiscal year (2009 -2010) and the prior fiscal year (2008-2009) is required and is presented in the MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

District-wide financial statements: The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The district-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements: A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Government funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near term financing requirements.

Because of the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decision. Both the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statements of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, debt service fund and permanent fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

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

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools, within the District. The proprietary fund has been included within the business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for student activities and groups, for payroll transactions, and for the District's unemployment trust fund. The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

Notes to the financial statements: The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information: The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2009-10 fiscal year include the following:

- The undesignated General Fund balance decreased significantly by \$1,700,000.00 from the prior fiscal year due to the State of New Jersey withholding what was supposed to be guaranteed funding in the amount of \$1,647,941 in February 2010. At the conclusion of the fiscal year, the District's unrestricted fund balance was \$1,099,677.00, which is within the State imposed restrictions set forth in statute. The local tax rate of \$2.154 reflected a five cent increase per \$100 of assessed value to support the 2009-2010 budget due to an overall reduction of state funding, local revenues and district appropriations.
- The District continued its private partnership with Energy Education, Inc. to reduce its overall energy consumption and cost by more than \$500,000 over the three year relationship.
- The district continues to significantly decrease its communication and internet data costs due to its agreement with Broadview Networks Telecommunications and The Breaker Group.
- The district awarded a PPA (Power Purchase Agreement) for a solar array installation at all district facilities to significantly reduce electrical costs into the future. The PPA allows our district to complete this project at no expense to the taxpayers for either the installation or the operational costs moving forward. The project began to be installed in July 2010 with expected full project completion by July 2011. The district anticipates a savings of approximately \$150,000 per year in its' electrical costs through this project.
- The district managed to weather the State of New Jersey imposed financial storm during the 2009-10 fiscal year. However, due to the loss of \$1,700,000 in February 2010, the additional 40% (\$2,300,000) reduction in State Funding for the 2010-11 FY, and the budget defeat which resulted in an additional \$1,000,000 reduction, the Medford Township Public Schools faces an unprecedented fiscal situation which will result in significant staff, program and service reductions moving forward

District-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position.

The following table provides a summary of net assets:

	Governmental Activities	Business-type Activities	Total
Current & Other Assets	\$ 5, 462,760	\$181,647	\$ 5,644,407
Capital Assets, Net	<u>68,406,157</u>	<u>42,554</u>	<u>68,448,711</u>
Total Assets	<u>73,868,917</u>	<u>224,201</u>	<u>74,093,118</u>
Long-Term Liabilities Outstanding	33,370,012	-	33,370,012

	Governmental Activities	Business-type Activities	Total
Other Liabilities	<u>3,938,801</u>	<u>43,205</u>	<u>3,982,006</u>
Total Liabilities	<u>37,308,813</u>	<u>43,205</u>	<u>37,352,018</u>
Net assets:			
Investment in Capital Assets, Net of Related Debt	35,076,157	42,554	35,118,711
Restricted	2,724,411	-	2,724,411
Unrestricted	<u>(1,240,464)</u>	<u>138,442</u>	<u>(1,102,022)</u>
Total net assets	<u>\$36,560,104</u>	<u>\$180,996</u>	<u>\$ 36,741,100</u>

The District's net assets decreased slightly from the previous year. Restricted assets represent resources that are subject to external restrictions on how they may be used. Within this category, the largest balance is the \$2,924,748 utilized for other purposes such as tax relief when available.

The unrestricted net assets may be used to meet the District's ongoing obligations to students, employees, and creditors. The unrestricted net assets include the amount of long-term obligations that are not invested in capital assets, such as compensated absences.

At the end of the current fiscal year, the District is able to report a positive balance in total net assets. The same situation held true for the prior fiscal year.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net assets from the prior year:

	Governmental Activities	Business-type Activities	Total
Revenues:			
General Revenues:			
Property Taxes	\$ 38,382,674		\$ 38,382,674
Federal & State Aid Not Restricted to Specific Purposes	7,114,398		7,114,398
Miscellaneous (Includes Interest, Tuition & Facility Rental)	733,606	\$ 2,308	735,914
Amortization of Gain on ER Debt	34,618		34,618
Cancellation of Prior Year Payables	<u>39,005</u>		<u>39,005</u>
Total Revenue	<u>46,304,301</u>	<u>2,308</u>	<u>46,306,609</u>
Expenses:			
Instructional Services	17,667,088		17,667,088
Support Services/Food Service	16,320,292	(5,619)	16,314,673
Unallocated Benefits	10,095,072		10,095,072
Interest on Long-Term Debt	1,404,885		1,404,885
Special Schools	80,512		80,512
Amortization of Bond Issuance Cost	14,117		14,117
Reduction of Capital Leases	(481,092)		(481,092)
Amortization of Early Debt Retirement	33,218		33,218
Unallocated Comp. Absences	36,274		36,274
Unallocated Depreciation	<u>1,948,724</u>		<u>1,948,724</u>
Total Expenses	<u>47,119,090</u>	<u>(5,619)</u>	<u>47,113,471</u>

The following schedule presents a summary of general fund, special revenue fund, capital projects fund, debt service fund and permanent fund expenditures for the fiscal year ended June 30, 2010 and the percentage of increases and (decreases) in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent Increase (Decrease)</u>
Current Expense:				
Instruction	\$18,024,839	35.97%	\$ (173,053)	.95%
Undistributed Expenditures	27,645,143	55.17%	2,566,340	10.23%
Capital Outlay	1,002,028	2.00%	(244,564)	(19.62%)
Special School	80,512	.16%	9,684	13.67%
Debit Service:				
Principal	1,870,000	3.73%	95,000	5.35%
Interest	1,489,150	2.97%	(80,758)	(5.73%)
Total	\$50,111,672	100.00%	\$2,172,649	

Instruction costs increased due to increases in K-8 support staff special education salaries and supplies. Undistributed expenditures increased due to the increase in student enrollment and mandated special education services. Capital outlay decreased due to an additional year of capital project budget reductions. However, the district must begin to increase capital appropriations in future budgets to continue to maintain the safety, quality and integrity of district facilities. The net decrease in debt service is due to refinancing our existing debt at lower interest rates.

General Fund Budgetary Highlights

- The district had a modest increase of \$476,133 in its' overall general fund expenditures from FY2009. This allowed the district to maintain some financial stability during very extreme negative economic conditions. However, if the current economic climate continues with further state and federal funding reductions, coupled with stifling state imposed caps on revenue, the district will be forced to significantly reduce staff and programs that will drastically impact the quality of education it will be able to provide.

Proprietary Funds: The District's proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Service Enterprise Fund experienced a net operating profit of \$7,927 over the prior fiscal year. Considering the severe economic climate and the impact on families in our community, the modest profit achieved in our food service operation is a credit to quality of program and service that is provided. The food service program continues to be self-sustaining, and does not require any appropriation of funds from the District's general fund budget. It is anticipated that when the economy begins to revive itself, the lunch program will once again, begin to show an increase in profit.

Capital Assets: At June 30, 2010 the District has capital assets of \$68,406,157 net of depreciation, which includes land, building improvements, machinery and equipment, vehicles, and construction in progress.

The following provides a summary of the capital assets held by the District:

	Governmental Activities	Business-Type Activities
Land	\$ 5,708,019	
Buildings/Building Improvement	71,337,138	
Machinery and Equipment	4,432,547	\$375,049
Vehicles	4,678,157	
Less Accumulated Depreciation	<u>(17,749,704)</u>	<u>(332,495)</u>
Total	<u>\$68,406,157</u>	<u>\$ 42,554</u>

Additional information on the District's capital assets can be found in Note 4 to the basic financial statements.

Debt Administration and Other Obligations: At June 30, 2010, the District's outstanding debt issues included \$33,230,000 of general obligation bonds, \$850,659 of capital leases; and \$1,505,320 in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 5 and Note 17 to the basic financial statements.

Economic Factors and Next Year's Budget

- The District anticipates that the approved 2010-11 budget will be adequate to satisfy all 2010-11 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

Requests for Information

This financial report is designed to provide a general overview of the Medford Township School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant Superintendent for Finance and Support Services/Board Secretary's Office, Medford Township Board of Education, 128 Route 70, Suite 1, Medford, NJ 08055.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements



MEDFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$4,068,373	154,551	4,222,924	5,526,794
Receivables, Net	459,506	8,384	467,890	550,394
Inventory		18,712	18,712	16,114
Unamortized Bond Issuance Costs	105,621		105,621	119,738
Unamortized Loss on Early Retirement of Debt	564,708		564,708	597,926
Restricted Assets:				
Restricted Cash & Cash Equivalents	264,552		264,552	569,564
Capital Assets, Net (Note 4)	68,406,157	42,554	68,448,711	69,405,641
Total Assets	73,868,917	224,201	74,093,118	76,786,171
LIABILITIES				
Accounts Payable	1,091,328	24,911	1,116,239	813,476
Accrued Interest on Bonds	481,415		481,415	565,680
Unamortized Gain on Early Retirement of Debt	138,473		138,473	173,091
Deferred Revenue	11,618	18,294	29,912	31,616
Noncurrent Liabilities (Note 5):				
Due Within One Year	2,215,967		2,215,967	2,300,769
Due Beyond One Year	33,370,012		33,370,012	35,353,577
Total Liabilities	37,308,813	43,205	37,352,018	39,238,209
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	35,076,157	42,554	35,118,711	34,105,641
Restricted For:				
Capital Projects				128,279
Debt Service	(200,337)		(200,337)	(124,396)
Other Purposes	2,924,748		2,924,748	4,774,637
Unrestricted	(1,240,464)	138,442	(1,102,022)	(1,336,199)
Total Net Assets	\$36,560,104	180,996	36,741,100	37,547,962

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

**MEDFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Governmental Activities:							
Instruction:							
Regular	\$13,153,219		357,751	(12,795,468)		(12,795,468)	(12,823,102)
Special Education	4,370,758			(4,370,758)		(4,370,758)	(4,139,178)
Other Special Instruction	376,203			(376,203)		(376,203)	(366,000)
Other Instruction	124,659			(124,659)		(124,659)	(123,639)
Support Services & Undistributed Costs:							
Tuition	1,578,557			(1,578,557)		(1,578,557)	(1,256,541)
Attendance & Social Work Services	6,175			(6,175)		(6,175)	(5,997)
Health Services	503,881			(503,881)		(503,881)	(465,904)
Student & Instruction Related Services	3,541,219		1,229,779	(2,311,440)		(2,311,440)	(2,378,013)
Educational Media Services/School Library	606,831			(606,831)		(606,831)	(493,028)
Instructional Staff Training	672,153			(672,153)		(672,153)	(597,141)
School Administrative Services	846,608			(846,608)		(846,608)	(842,964)
Other Administrative Services	2,689,154			(2,689,154)		(2,689,154)	(2,621,113)
Plant Operations & Maintenance	3,825,265			(3,825,265)		(3,825,265)	(3,339,295)
Pupil Transportation	3,280,228			(3,280,228)		(3,280,228)	(2,942,096)
Unallocated Benefits	10,095,072			(10,095,072)		(10,095,072)	(9,661,654)
Interest on Long-Term Debt	1,404,885			(1,404,885)		(1,404,885)	(1,592,479)
Special Schools	80,512			(80,512)		(80,512)	(70,828)
Amortization of Bond Issuance Costs	14,117			(14,117)		(14,117)	(14,114)
Amortization of Loss on Early Retirement of Debt	33,218			(33,218)		(33,218)	(33,218)
Unallocated Compensated Absences	36,274			(36,274)		(36,274)	(418,323)
Reduction of Capital Leases	(481,092)			481,092		481,092	
Unallocated Depreciation	1,948,724			(1,948,724)		(1,948,724)	(2,057,407)
Total Governmental Activities	48,706,620		1,587,530	(47,119,090)		(47,119,090)	(46,242,034)

**MEDFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2010	JUNE 30, 2009
Business-Type Activities:							
Food Service	849,527	726,570	128,576		5,619	5,619	(31,395)
Total Business-Type Activities	849,527	726,570	128,576		5,619	5,619	(31,395)
Total Primary Government	\$49,556,147	726,570	1,716,106	(47,119,090)	5,619	(47,113,471)	(46,273,429)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				\$35,454,808		35,454,808	34,491,065
Taxes Levied for Debt Service				2,927,866		2,927,866	2,931,840
Federal & State Aid Not Restricted				7,114,398		7,114,398	8,149,046
Investment Earnings				98,828	2,308	101,136	2,499
Miscellaneous Income				634,778		634,778	695,745
Amortization of Gain on Early Retirement of Debt				34,618		34,618	34,619
Cancellation of Prior Year Payables				39,005		39,005	
Cancellation of EDA Receivable							(35,294)
Total General Revenues, Special Items, Extraordinary Items & Transfers				46,304,301	2,308	46,306,609	46,269,520
Change In Net Assets				(814,789)	7,927	(806,862)	(3,909)
Net Assets - Beginning, as Previously Stated							37,527,585
Prior Period Adjustment							24,286
Net Assets July 1				37,374,893	173,069	37,547,962	37,551,871
Net Assets - Ending				\$36,560,104	180,996	36,741,100	37,547,962

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

B. Fund Financial Statements

Governmental Funds

**MEDFORD TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2010**

(With Comparative Totals for June 30, 2009)

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 2010	JUNE 30, 2009
Assets:						
Cash & Cash Equivalents	\$3,881,378	186,995	264,552		4,332,925	5,933,620
Due From Other Funds	66,783	551		281,078	348,412	586,018
Receivables From Other Governments	376,197				376,197	398,682
Total Assets	<u>\$4,324,358</u>	<u>187,546</u>	<u>264,552</u>	<u>281,078</u>	<u>5,057,534</u>	<u>6,918,320</u>
Liabilities & Fund Balances:						
Liabilities:						
Accounts Payable	\$915,400	164,080			1,079,480	721,644
Intergovernmental - Accounts Payable		11,848			11,848	34,952
Interfund Payable	551		264,552		265,103	452,613
Deferred Revenue		11,618			11,618	11,618
Total Liabilities	<u>915,951</u>	<u>187,546</u>	<u>264,552</u>		<u>1,368,049</u>	<u>1,220,827</u>
Fund Balances:						
Reserved for:						
Encumbrances	71,276				71,276	343,322
Legally Restricted - Designated for Subsequent Year's Expenditures	1,022,157			250,000	1,272,157	2,125,888
Excess Surplus Designated for Subsequent Year's Expenditures	1,831,315				1,831,315	915,396
Excess Surplus						1,831,315
Unreserved, Reported in:						
General Fund	483,659				483,659	353,293
Debt Service Fund				31,078	31,078	
Capital Projects Fund						128,279
Total Fund Balances	<u>3,408,407</u>			<u>281,078</u>	<u>3,689,485</u>	<u>5,697,493</u>
Total Liabilities & Fund Balances Balances	<u>\$4,324,358</u>	<u>187,546</u>	<u>264,552</u>	<u>281,078</u>		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$86,155,861 and the accumulated depreciation is \$17,749,704.	68,406,157	69,352,853
Unamortized Bond Issuance Costs	105,621	119,738
Unamortized Loss on Early Retirement of Debt	564,708	597,926
Unamortized Gain on Early Retirement of Debt	(138,473)	(173,091)
Accrued Interest not recorded in current financial statements	(481,415)	(565,680)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note5)	<u>(35,585,979)</u>	<u>(37,654,346)</u>
Net assets of Governmental Activities	<u>\$36,560,104</u>	<u>37,374,893</u>

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

**MEDFORD TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	GOVERNMENTAL FUND TYPES				TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	JUNE 30, 2010	JUNE 30, 2009
Revenues:						
Local Sources:						
Local Tax Levy	\$35,454,808			2,927,866	38,382,674	37,422,905
Miscellaneous	727,080		6,526		733,606	695,745
Total Revenues - Local Sources	36,181,888		6,526	2,927,866	39,116,280	38,118,650
State Sources	6,538,633	150,253			6,688,886	8,316,989
Federal Sources	481,081	1,531,961			2,013,042	829,453
Total Revenues	43,201,602	1,682,214	6,526	2,927,866	47,818,208	47,265,092
Expenditures:						
Current Expense:						
Instruction	17,667,088	357,751			18,024,839	18,197,892
Undistributed Expenditures	26,415,364	1,229,779			27,645,143	25,078,803
Capital Outlay	907,344	94,684			1,002,028	1,246,592
Special Schools	80,512				80,512	70,828
Debt Service				3,359,150	3,359,150	3,344,908
Total Expenditures	45,070,308	1,682,214		3,359,150	50,111,672	47,939,023
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,868,706)		6,526	(431,284)	(2,293,464)	(673,931)
Other Financing Sources/(Uses):						
Cancellation of EDA Receivable						(35,294)
Cancellation of Prior Year Interfund	(136,273)		136,273			
Cancellation of Prior Year Payables	39,005				39,005	
Operating Transfers (Out)/In			(271,078)	271,078		
Capital Leases (Nonbudget)	246,451				246,451	650,000
Total Other Financing Sources/(Uses)	149,183		(134,805)	271,078	285,456	614,706
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	(1,719,523)		(128,279)	(160,206)	(2,008,008)	(59,225)
Fund Balances July 1	5,127,930		128,279	441,284	5,697,493	5,756,718
Fund Balances June 30	\$3,408,407	-	-	281,078	3,689,485	5,697,493

See accompanying notes to the financial statements.

**MEDFORD TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$2,008,008)

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	(\$1,948,724)	
Capital Outlays	<u>1,002,028</u>	(946,696)

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. 1,870,000

Bond issuance cost are reported in the Governmental Funds as Expenditures in the year of issuance. On the Statement of activities: Issuing Debt Increases Long-Term Liabilities:

Amortization of Bond Issuance Costs	(14,117)	
Amortization of Gain on Bond Refinancing	34,618	
Amortization of Loss on Bond Refinancing	<u>(33,218)</u>	(12,717)

Repayment of capital lease 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. 481,092

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.

Prior year	565,680	
Current Year	<u>(481,415)</u>	84,265

Proceeds from a Capital Lease are reflected as a Funding Source in the Governmental Funds (246,451)

Increase 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. (36,274)

Change in Net Assets of Governmental Activities (\$814,789)

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

Proprietary Funds

MEDFORD TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

ASSETS	BUSINESS-TYPE	TOTALS	
	ACTIVITIES - ENTERPRISE FUNDS	(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2010	JUNE 30, 2009
Current Assets:			
Cash & Cash Equivalents	\$154,551	154,551	162,738
Due from Other Governments	8,384	8,384	7,198
Interfunds Receivable			11,109
Inventories	18,712	18,712	16,114
Total Current Assets	181,647	181,647	197,159
Noncurrent Assets:			
Furniture, Machinery & Equipment	375,049	375,049	375,049
Less: Accumulated Depreciation	(332,495)	(332,495)	(322,261)
Total Noncurrent Assets	42,554	42,554	52,788
Total Assets	224,201	224,201	249,947
LIABILITIES			
Prepaid Meals	18,294	18,294	19,998
Accounts Payable	24,911	24,911	56,880
Total Liabilities	43,205	43,205	76,878
NET ASSETS			
Investment in Capital Assets	42,554	42,554	52,788
Unrestricted	138,442	138,442	120,281
Total Net Assets	\$180,996	180,996	173,069

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

MEDFORD TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE		TOTALS (MEMORANDUM ONLY)	
	FUNDS		JUNE 30,	JUNE 30,
	FOOD SERVICE		2010	2009
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$400,292		400,292	366,299
Daily Sales - Nonreimbursable Programs	326,278		326,278	340,780
Total Operating Revenues	726,570		726,570	707,079
Operating Expenses:				
Salaries	344,212		344,212	343,453
Supplies & Materials	43,248		43,248	44,060
Liability Insurance	13,253		13,253	14,670
Miscellaneous	18,234		18,234	26,168
Equipment Maintenance	4,780		4,780	6,279
Management Fee	53,232		53,232	52,583
Depreciation Expense	10,234		10,234	13,543
Cost of Sales	362,334		362,334	364,447
Total Operating Expenses	849,527		849,527	865,203
Operating Income/(Loss)	(122,957)		(122,957)	(158,124)
Nonoperating Revenues (Expenses):				
Contributed Capital				
State Sources:				
State School Lunch Program	9,270		9,270	9,704
Federal Sources:				
National School Lunch Program	90,254		90,254	78,607
Special Milk Program	1,746		1,746	3,234
Food Distribution Program	27,306		27,306	35,184
Interest Revenue	2,308		2,308	2,499
Total Nonoperating Revenues/(Expenses)	130,884		130,884	129,228
Change in Net Assets	7,927		7,927	(28,896)
Total Net Assets - Beginning	173,069		173,069	201,965
Total Net Assets - Ending	\$180,996		180,996	173,069

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

**MEDFORD TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2010
 (With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	TOTALS (MEMORANDUM ONLY)	
		JUNE 30, 2010	JUNE 30, 2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$724,866	724,866	708,120
Payments to Suppliers	(873,860)	(873,860)	(1,121,687)
Net Cash Provided/(Used) by Operating Activities	<u>(148,994)</u>	<u>(148,994)</u>	<u>(413,567)</u>
Cash Flows From Noncapital Financing Activities:			
Interfund Payable	11,109	11,109	(11,109)
State Sources	9,232	9,232	11,939
Federal Sources	118,158	118,158	135,043
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>138,499</u>	<u>138,499</u>	<u>135,873</u>
Cash Flows From Investing Activities:			
Interest Earnings	2,308	2,308	2,499
Net Cash Provided/(Used) by Investing Activities	<u>2,308</u>	<u>2,308</u>	<u>2,499</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(8,187)	(8,187)	(275,195)
Balances - Beginning of Year	162,738	162,738	437,933
Balances - End of Year	<u>\$154,551</u>	<u>154,551</u>	<u>162,738</u>

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

Operating Income/(Loss)	(\$122,957)	(122,957)	(158,124)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	10,234	10,234	13,543
Increase/(Decrease) in Interfund Payable			(11,117)
Increase/(Decrease) in Prepaid	(1,704)	(1,704)	1,041
(Increase)/Decrease in Inventory	(2,598)	(2,598)	(2,041)
(Increase)/Decrease in Accounts Payable	(31,969)	(31,969)	(256,869)
Total Adjustments	<u>(26,037)</u>	<u>(26,037)</u>	<u>(255,443)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(\$148,994)</u>	<u>(148,994)</u>	<u>(413,567)</u>

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

Fiduciary Fund

MEDFORD TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

ASSETS	PRIVATE PURPOSE				TOTALS	
	UNEMPLOYMENT		AGENCY		(MEMORANDUM ONLY)	
	COMPENSATION TRUST	SCHOLARSHIP FUND	STUDENT ACTIVITY	PAYROLL AGENCY	JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$273,133	16,987	288,578	303,715	882,413	867,213
Total Assets	273,133	16,987	288,578	303,715	882,413	867,213
LIABILITIES						
Interfund Payables				83,309	83,309	144,515
Accounts Payables	6,150				6,150	8,690
Payroll Deductions & Withholdings				220,406	220,406	176,871
Due to Student Groups			288,578		288,578	249,125
Total Liabilities	6,150		288,578	303,715	598,443	579,201
NET ASSETS						
Held in Trust for Unemployment Claims & Other Purposes	266,983				266,983	270,223
Reserved for Scholarships		16,987			16,987	17,789
Total Net Assets	\$266,983	16,987	-	-	283,970	288,012

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

**MEDFORD TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ADDITIONS	PRIVATE PURPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	(MEMORANDUM ONLY) JUNE 30, 2010	JUNE 30, 2009
Contributions:				
Other	\$43,834		43,834	36,179
Total Contributions	43,834		43,834	36,179
Investment Earnings:				
Interest	3,368	298	3,666	2,945
Net Investment Earnings	3,368	298	3,666	2,945
Total Additions	47,202	298	47,500	39,124
DEDUCTIONS				
Quarterly Contribution Reports				
Unemployment Claims	50,442		50,442	33,589
Scholarships		1,100	1,100	1,100
Total Deductions	50,442	1,100	51,542	34,689
Change in Net Assets	(3,240)	(802)	(4,042)	4,435
Net Assets - Beginning of the Year	270,223	17,789	288,012	283,577
Net Assets - End of the Year	\$266,983	16,987	283,970	288,012

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

**MEDFORD TOWNSHIP
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2010

Note 1. Summary of Significant Accounting Policies

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

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

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

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2010 and for the year then ended with comparative totals as of and for the year ended June 30, 2009 (Memorandum Only).

A. Reporting Entity:

The Medford Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The operations of the District include five elementary schools located in Medford Township. The Medford Township Board of Education has an approximate enrollment at June 30, 2010 of 3,118 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.

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

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

Based on the aforementioned criteria, the District has no component units.

B. District-Wide and Fund Financial Statements

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

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

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

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

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

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

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued):

liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

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

D. Fund Accounting:

The accounts of the Medford Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into seven fund types within three broad fund categories.

Governmental Funds

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

As required by the New Jersey Department of Education Medford Township Board of Education 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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

D. Fund Accounting (continued):

and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

Proprietary Fund

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

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

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

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

MEDFORD TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

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

D. Fund Accounting (continued):

earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

Food Service Fund:	
Equipment	5 Years
Light Trucks & Vehicle	5 Years
Heavy Trucks & Vehicle	5 Years

Fiduciary Fund

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

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

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

E. Basis of Accounting:

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6:20-2A(m)1*. All budget amendments must be approved by School Board resolution.

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

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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

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

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

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) “revenues” from the budgetary comparison schedules	\$43,193,118	\$1,682,214
Difference – Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	488,229	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	(479,745)	_____
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$43,201,602</u>	<u>\$1,682,214</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	<u>\$45,070,308</u>	<u>\$1,682,214</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$45,070,308</u>	<u>\$1,682,214</u>

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

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

G. Encumbrances:

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

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

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

H. Cash, Cash Equivalents and Investments:

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

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

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

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

MEDFORD TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

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

I. Tuition Receivable/Payable

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

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2010, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2007-2008 & 2008-2009 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

J. Inventories & Prepaid Expenses

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

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditures during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

K. Short-Term Interfund Receivables/Payables

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

L. Fixed Assets:

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

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

assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery & Equipment	3 – 20 Years
Building & Other Improvements	7 – 60 Years

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2010 for such salaries.

N. Compensated Absences

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

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

O. Deferred Revenue

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

P. Long-term Obligations

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

Q. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2010, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$5,369,889</u>
Total Deposits	<u>\$5,369,889</u>

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

Governmental Activities	\$4,332,925
Business-Type Activities	154,551
Fiduciary Fund	<u>882,413</u>
Total Cash and Cash Equivalents	<u>\$5,369,889</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$6,156,637 at June 30, 2010. Of the bank balance \$511,748 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$5,644,889 was secured by a collateral pool held by the bank, but not in the District's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2010, are provided in the above schedule.

Investment Credit Risk – The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

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

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2010 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

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

valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

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

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

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

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

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

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

Note 4. Fixed Assets

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2010:

	June 30, 2009	Additions	Transfer	June 30, 2010
Land	\$ 5,708,019		\$ -	\$ 5,708,019
Buildings & Building Improvements	70,879,028	\$ 458,110		71,337,138
Vehicles	4,678,157			4,678,157
Machinery & Equipment	<u>3,888,629</u>	543,918		<u>4,432,547</u>
Subtotal	85,153,833	1,002,028		86,155,861
Accumulated Depreciation	<u>(15,800,980)</u>	<u>(1,948,724)</u>		<u>(17,749,704)</u>
Total	<u>\$69,352,853</u>	<u>\$ (946,696)</u>	<u>\$ -</u>	<u>\$68,406,157</u>

The following schedule is a summarization of the proprietary fund fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2010:

	June 30, 2009	Additions	Deletions	June 30, 2010
Machinery & Equipment	\$375,049		\$ -	\$375,049
Less: Accumulated Depreciation	<u>(322,261)</u>	<u>\$(10,234)</u>		<u>(332,495)</u>
Net Fixed Assets	<u>\$ 52,788</u>	<u>\$(10,234)</u>	<u>\$ -</u>	<u>\$ 42,554</u>

Note 5. Long-Term Debt

During the fiscal year-ended June 30, 2010 the following changes occurred in liabilities reported as long-term debt:

	Balance 6/30/09	Issued	Retired	Balance 6/30/10	Due Within One Year
Compensated Absences Payable	\$ 1,469,046	\$ 36,274		\$ 1,505,320	
Capital Leases Payable	1,085,300	246,451	\$ 481,092	850,659	\$ 290,967
Bonds Payable	<u>35,100,000</u>		<u>1,870,000</u>	<u>33,230,000</u>	<u>1,925,000</u>
Total	<u>\$37,654,346</u>	<u>\$282,725</u>	<u>\$2,351,092</u>	<u>\$35,585,979</u>	<u>\$2,215,967</u>

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 5. Long-Term Debt (continued):

A. Bonds Payable:

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The Board of Education currently has no outstanding bonds.

Principal and Interest due on the outstanding bonds is as follows:

Year-Ending June 30,	Principal	Interest	Total
2011	\$ 1,925,000	\$ 1,408,050	\$ 3,333,050
2012	2,045,000	1,324,450	3,369,450
2013	2,195,000	1,246,287	3,441,287
2014	2,250,000	1,144,112	3,394,112
2015	2,290,000	1,039,513	3,329,513
2016-2020	9,150,000	3,902,437	13,052,437
2021-2025	9,635,000	1,988,368	11,623,368
2026-2027	3,740,000	239,860	3,979,860
Total	\$33,230,000	\$12,293,077	\$45,523,077

At June 2010, bonds payable consisted of the following individual issues:

Purpose	Maturities	Interest Rate	Balance
2002-Construction of New School & Transportation Center	3/1/2008-11	4.50%	\$ 1,320,000
2006-Refunding Bond Issue	3/1/2012-27	4.50%-5.0%	28,710,000
2008-Refund Bond Issue	2/1/2010-15	4.0%-5.0%	<u>3,200,000</u>
Total			<u>\$33,230,000</u>

2006 Bond Refunding

\$28,710,000 of Refunding Bond, Series 2006, dated February 7, 2006 were issued to provide funds to 1) advance refund and redeem on March 1, 2011, \$27,896,000 of School District callable School Bonds, Series 2002, maturing March 1, 2012 through March 1, 2027 and pay costs and expenses related to the issuance. The refunding program will save the School District \$1,350,096 in debt services over the life of the Refunding Bonds. This is the equivalent of \$966,173 in net present value savings or 3.47% of the outstanding principal of the refunded bonds.

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

Note 5. Long-Term Debt (continued):

2008 Refunding Issue

\$4,380,000 of Refunding Bonds, Series 2008, dated January 24, 2008 were issued to advance refund \$5,745,000 of prior bonds, Series of 1998, dated May 1, 1998. The refunding program will save the School District \$239,775 in debt services over the life of the Refunding Bonds. This is the equivalent of \$209,161 in net present value savings or 3.064% of the outstanding principal of the refunded bonds.

B. Bonds Authorized But Not Issued:

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

C. Obligations Under Capital Leases

The District is leasing capital items and equipment under capital leases. All capital leases are for terms of three to five years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2010:

Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$290,967	\$30,175	\$321,142
2012	180,221	19,187	199,408
2013	185,895	12,290	198,185
2014	<u>193,576</u>	<u>7,401</u>	<u>200,977</u>
Total	<u>\$850,659</u>	<u>\$69,053</u>	<u>\$919,712</u>

Lease Obligations – At June 30, 2010, the Board of Education had lease agreements in effect for the following:

Capital:

- Copy Machines
- Computers
- Document Storage System
- Buses

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

Note 6. Pension Plans

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

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

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

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:6C* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 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.

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 6. Pension Plans (continued):

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey’s portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee’s rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District’s normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

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

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

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$567,812	100%	\$ -0-
6/30/09	474,708	100%	-0-
6/30/08	354,152	100%	-0-

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 6. Pension Plans (continued):

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$1,221,025	100%	\$ -0-
6/30/09	1,162,162	100%	-0-
6/30/08	2,630,864	100%	-0-

During the year ended June 30, 2010 the State of New Jersey contributed \$1,221,025 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$1,422,052 for 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 basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 7. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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 prefunding 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.

Note 8. Risk Management

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

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 8. Risk Management (continued):

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

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

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2009-2010	\$43,834	\$3,368	\$50,442	\$266,983
2008-2009	36,179	2,491	33,589	270,223
2007-2008	42,412	7,672	17,835	265,142

Note 9. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2010 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 10. Economic Dependency

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

MEDFORD TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

Note 11. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 66,783	\$ 551
Debt Service	281,078	
Special Revenue Fund	551	
Capital Projects		264,552
Trust & Agency Fund	<u> </u>	<u>83,309</u>
Total	<u>\$348,412</u>	<u>\$348,412</u>

Note 12. Fund Balance Appropriated

General Fund – of the \$3,408,407 General Fund fund balance at June 30, 2010, \$71,276 is reserved for encumbrances; \$1,022,157 is reserved excess surplus designated for Subsequent Years Expenditures; \$ - 0- is excess surplus; \$1,831,315 is unreserved, unrestricted designated for subsequent year's expenditures and \$483,659 is unreserved and undesignated.

Note 13. 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, permit 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 Investment	American Express
Vanguard Fiduciary	The Equitable

Note 14. 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

MEDFORD TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 14. Compensated Absences (continued):

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, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2010 is \$1,509,033.

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 15. Joint Insurance Fund

The District participates in the Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF), public entity risk pool. Coverage under this joint plan offers workers' compensation, boiler and machinery, automobile liability, general liability, property, crime and school board legal liability coverage. The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies.

No contingency provision has been made in these financial statements as no deficiencies occurred as of June 30, 2010 for the joint insurance pool.

Limits of coverage (including excess insurance coverage), per occurrence, are as follows:

	BCIPJIF	Third Party Carrier
Property, Inland Marine & Automobile		
Physical Damages	\$ 25,000	\$150,000,000
Boiler & Machinery	-0-	100,000,000
Crime	25,000	500,000
General & Automobile Liability	100,000	10,000,000
Workers' Compensation	250,000	1,000,000
School Board Legal Liability	10,000	1,000,000

MEDFORD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 16. Calculation of Excess Surplus

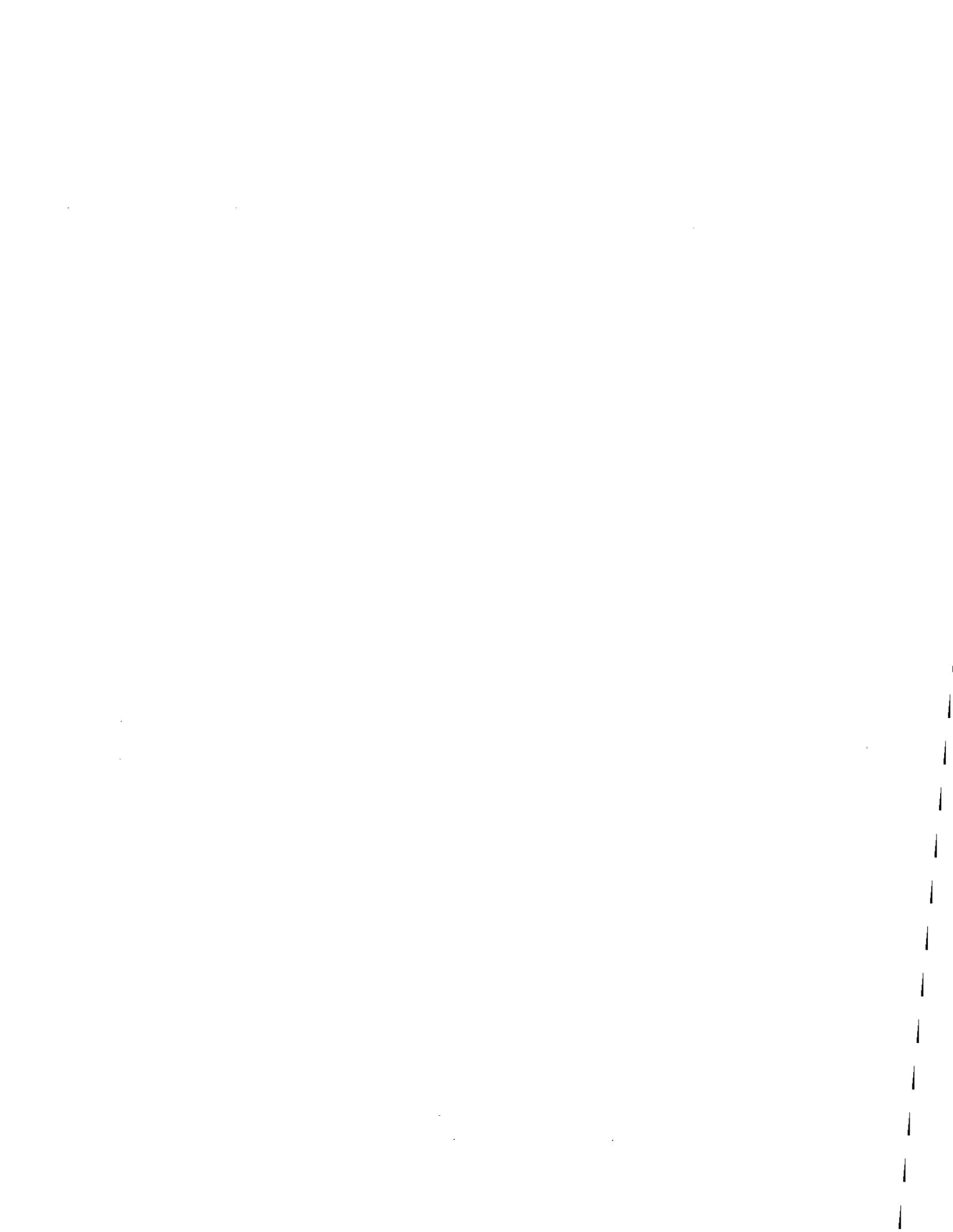
In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to reserve General Fund fund 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 \$0.

Note 17. Deferred Bond Issuance Cost

In governmental funds, bond issuance costs and the loss or gain on refinancing are recognized in the current period. For district-wide financial statements, debt issuance and refinancing costs are amortized over the life of the original issue or refunding issue, whichever is larger. The cost associated with the 2006 Refunding Issue was \$83,201 and the loss on the Refunding was \$730,799. Amortized costs for the 2009-2010 school year were \$3,784 and \$33,218 respectively. The cost associated with the 2008 Refunding Issue was \$72,327 and the gain on the Refunding was \$242,327. Amortized costs for the 2009-2010 school year was \$10,333. The amortized gain for the 2009-2010 school year was \$34,618.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules



**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Revenues:											
Local Sources:											
Local Tax Levy	10-121-000-000	\$35,454,808		35,454,808	35,454,808		34,491,065		34,491,065	34,491,065	
Miscellaneous	10-100-000-000	587,095		587,095	727,080	139,985	725,000		725,000	686,807	(38,193)
Total Local Sources		36,041,903		36,041,903	36,181,888	139,985	35,216,065		35,216,065	35,177,872	(38,193)
State Sources:											
Transportation Aid	10-312-000-000	1,136,741		1,136,741	738,882	(397,859)	913,320		913,320	913,320	
Special Education Aid	10-313-000-000	1,558,967		1,558,967	1,152,271	(406,696)	1,517,893		1,517,893	1,517,893	
Equalization Aid	10-317-600-000	2,651,372	(481,081)	2,170,291	1,429,398	(740,893)	3,006,521		3,006,521	2,804,263	(202,258)
Security Aid	10-317-700-000	205,905		205,905	133,838	(72,067)	202,153		202,153	202,153	
Adjustment Aid	10-317-800-000	86,902		86,902	56,486	(30,416)					
Other State Aid	10-3400						75,000		75,000	94,846	19,846
Non-Public Transportation Aid	10-3xx				4,228	4,228				3,132	3,132
Extraordinary Aid	10-3190	94,369		94,369	371,969	277,600	294,369		294,369	324,299	29,930
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					1,221,025	1,221,025				1,162,162	1,162,162
Reimbursed TPAF Social Security Contributions					1,422,052	1,422,052				1,359,920	1,359,920
Total State Sources		5,734,256	(481,081)	5,253,175	6,530,149	1,276,974	6,009,256		6,009,256	8,381,988	2,372,732
Federal Sources:											
American Recovery & Reinvestment Act:											
Education Stabilization Fund	16-xxx		463,152	463,152	463,152						
Government Services Fund	17-xxx		17,929	17,929	17,929						
Total Federal Sources			481,081	481,081	481,081						
Total Revenues		41,776,159		41,776,159	43,193,118	1,416,959	41,225,321		41,225,321	43,559,860	2,334,539
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool/Kindergarten	11-110-100-101	415,265	(13,000)	402,265	374,028	28,237	337,919	49,000	386,919	342,993	43,926
Grades 1 - 5	11-120-100-101	7,516,109	(326,502)	7,189,607	7,164,689	24,918	7,200,703	127,990	7,328,693	7,062,599	266,094
Grades 6 - 8	11-130-100-101	4,420,000	18,000	4,438,000	4,393,888	44,112	4,294,500	(52,044)	4,242,456	4,070,347	172,109
Home Instruction:											
Salaries of Teachers	11-150-100-101	2,000		2,000		2,000	4,000		4,000	1,175	2,825
Regular Programs - Undistributed Instruction:											
Other Salaries for Instruction	11-190-100-106	207,302	(2,685)	204,617	167,759	36,858	756,555	38,382	794,937	731,969	62,968
Other Purchased Services	11-190-100-500	38,300	23,577	61,877	32,706	29,171	96,300	(18,000)	78,300	29,824	48,476
General Supplies	11-190-100-610	808,796	(65,023)	743,773	559,399	184,374	807,926	(64,049)	743,877	523,183	220,694

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Regular Programs - Undistributed Instruction (continued):											
Textbooks	11-190-100-640	21,829	(1,777)	20,052	11,599	8,453	86,414	(15,889)	70,525	21,895	48,630
Other Objects	11-190-100-800	147,150	14,284	161,434	91,400	70,034	140,852	(20,770)	120,082	39,117	80,965
Total Regular Programs		13,576,751	(353,126)	13,223,625	12,795,468	428,157	13,725,169	44,620	13,769,789	12,823,102	946,687
Special Education:											
Learning and/or Language Disabilities:											
Salaries of Teachers	11-204-100-101	788,450	(33,330)	755,120	755,120		765,665	(27,633)	738,032	704,634	33,398
Other Salaries for Instruction	11-204-100-106	321,725	77,100	398,825	398,796	29	256,465	67,633	324,098	324,098	
General Supplies	11-204-100-610	1,300		1,300		1,300	3,000		3,000		3,000
Total Learning and/or Language Disabilities		1,111,475	43,770	1,155,245	1,153,916	1,329	1,025,130	40,000	1,065,130	1,028,732	36,398
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	286,921	111,200	398,121	377,535	20,586	240,665	180,710	421,375	421,375	
Other Salaries for Instruction	11-212-100-106	241,760	33,500	275,260	274,341	919	320,515	(76,000)	244,515	242,670	1,845
General Supplies	11-212-100-610						600	(600)			
Textbooks	11-212-100-640	1,000		1,000		1,000	1,000		1,000		1,000
Total Multiple Disabilities:		529,681	144,700	674,381	651,876	22,505	562,780	104,110	666,890	664,045	2,845
Resource Room:											
Salaries of Teachers	11-213-100-101	1,393,840	(23,000)	1,370,840	1,365,361	5,479	1,330,840	(84,710)	1,246,130	1,176,273	69,857
Other Salaries for Instruction	11-213-100-106	801,530	3,000	804,530	778,363	26,167	935,020	(118,000)	817,020	788,146	28,874
Purchased Professional - Educational Services	11-213-100-320	265,000		265,000	177,629	87,371	265,000		265,000	265,000	
General Supplies	11-213-000-610	7,395	(430)	6,965	3,212	3,753	8,595	(1,200)	7,395	1,866	5,529
Total Resource Room		2,467,765	(20,430)	2,447,335	2,324,565	122,770	2,539,455	(203,910)	2,335,545	2,231,285	104,260
Preschool Handicapped - Part-Time:											
Salaries of Teachers	11-215-100-101	174,265	(150)	174,115	171,499	2,616	167,050	(2,366)	164,684	164,398	286
Other Salaries for Instruction	11-215-000-106	47,780	21,000	68,780	68,655	125	30,590	18,366	48,956	48,956	
General Supplies	11-215-100-610	2,000	(1,895)	105	97	8	4,000	(762)	3,238		3,238
Other Objects	11-215-100-800		150	150	150		1,000	762	1,762	1,762	

**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Total Preschool Handicapped -Part-Time	224,045	19,105	243,150	240,401	2,749	202,640	16,000	218,640	215,116	3,524	
Home Instruction:											
Purchased Professional - Educational Services	11-219-100-320	5,000	(1,000)	4,000	4,000	5,000		5,000		5,000	
Total Special Education	4,337,966	186,145	4,524,111	4,370,758	153,353	4,335,005	(43,800)	4,291,205	4,139,178	152,027	
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	354,565	9,000	363,565	361,838	1,727	345,605	65,000	410,605	352,635	57,970
General Supplies	11-230-100-610	21,816	452	22,268	14,365	7,903	24,780	(2,000)	22,780	13,365	9,415
Total Basic Skills/Remedial	376,381	9,452	385,833	376,203	9,630	370,385	63,000	433,385	366,000	67,385	
Bilingual Education:											
General Supplies	11-240-100-610					1,000		1,000		1,000	
Total Bilingual Education						1,000		1,000		1,000	
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	43,915	12,952	56,867	56,422	445	41,815	17,233	59,048	53,186	5,862
Supplies and Materials	11-401-100-600	6,940	(560)	6,380	3,586	2,794	6,940	(1,409)	5,531	2,141	3,390
Total School Sponsored Cocurricular Activities	50,855	12,392	63,247	60,008	3,239	48,755	15,824	64,579	55,327	9,252	
School Sponsored Athletics - Instruction:											
Salaries	11-402-100-100	40,550	(5,500)	35,050	31,259	3,791	38,550	(1,533)	37,017	27,663	9,354
Purchased Services	11-402-100-500	13,000	(6,892)	6,108	5,643	465	10,000	209	10,209	10,209	
Supplies and Materials	11-402-100-600	16,500		16,500	9,548	6,952	16,500	(209)	16,291	11,816	4,475
Total School Sponsored Athletics - Instruction	70,050	(12,392)	57,658	46,450	11,208	65,050	(1,533)	63,517	49,688	13,829	
Other Instructional Programs											
Salaries	11-4xx-100-100	24,120	(9,120)	15,000	13,464	1,536	21,820	(8,820)	13,000	12,528	472
Other Salaries for Instruction	11-420-100-101		9,120	9,120		9,120	8,820	8,820		8,820	
Supplies and Materials	11-4xx-100-600	12,500		12,500	4,737	7,763	12,500		12,500	6,096	6,404
Total Other Instructional Programs	36,620		36,620	18,201	18,419	34,320		34,320	18,624	15,696	
Total - Instruction	18,448,623	(157,529)	18,291,094	17,667,088	624,006	18,579,684	78,111	18,657,795	17,451,919	1,205,876	

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Undistributed Expenditures:											
Tuition											
Tuition to Other LEA'S Within State - Special	11-000-100-562	35,000	94,700	129,700	129,700			22,400	22,400	16,302	6,098
Tuition to CSSD & Regular Day Schools	11-000-100-565	500,240	218,180	718,420	713,469	4,951	558,170	(18,837)	539,333	514,659	24,674
Tuition to Private School for Handicapped - State	11-000-100-566	645,800	52,088	697,888	696,938	950	745,500	(74,539)	670,961	655,189	15,772
Tuition to Private School for Handicapped - Outside State	11-000-100-567		35,250	35,250	35,250			24,500	24,500	24,336	164
Tuition - Other	11-000-100-569	48,200	(45,000)	3,200	3,200		35,500	14,700	50,200	46,055	4,145
Total Tuition		1,229,240	355,218	1,584,458	1,578,557	5,901	1,339,170	(31,776)	1,307,394	1,256,541	50,853
Attendance & Social Work Services:											
Salaries	11-000-211-100	6,185	100	6,285	6,175	110	3,890	2,107	5,997	5,997	
Total Attendance & Social Work Services		6,185	100	6,285	6,175	110	3,890	2,107	5,997	5,997	
Health Services:											
Salaries	11-000-213-100	451,905	50,000	501,905	491,349	10,556	472,550	(16,107)	456,443	455,043	1,400
Purchased Professional & Technical Services	11-000-213-300	600	(5)	595	595		1,000		1,000	595	405
Other Purchased Services	11-000-213-500	1,900	(845)	1,055	1,055		2,400		2,400	463	1,937
Supplies and Materials	11-000-213-600	12,000	1,037	13,037	10,882	2,155	12,500		12,500	9,803	2,697
Total Health Services		466,405	50,187	516,592	503,881	12,711	488,450	(16,107)	472,343	465,904	6,439
Other Support Services - Students - Related Services:											
Salaries	11-000-216-100	525,100	10,000	535,100	521,847	13,253	493,180	5,000	498,180	494,643	3,537
Purchased Technical Services	11-000-216-320	272,000	(11,452)	260,548	260,023	525	262,000	117,800	379,800	289,338	90,462
Supplies and Materials	11-000-216-600	3,000	(457)	2,543	2,445	98	4,500	(2,000)	2,500		2,500
Other Objects	11-000-216-800	1,600	(1,202)	398	373	25	2,100		2,100	1,183	917
Total Other Support Services - Students - Related Services		801,700	(3,111)	798,589	784,688	13,901	761,780	120,800	882,580	785,164	97,416
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	612,585	8,336	620,921	589,979	30,942	587,128	2,000	589,128	539,934	49,194

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MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Other Support Services - Students - Regular (continued):											
Other Purchased Professional & Technical Services	11-000-218-390	7,000	232	7,232	5,492	1,740	2,000	2,000	170	1,830	
Other Purchased Services	11-000-218-500	1,800	(1,800)				2,100	(268)	1,832	832	1,000
Supplies and Materials	11-000-218-600	18,420	(1,910)	16,510	11,113	5,397	14,170	(1,732)	12,438	9,317	3,121
Total Other Support Services - Students - Special Services		639,805	4,858	644,663	606,584	38,079	605,398		605,398	550,253	55,145
Other Support Services - Students - Special Services:											
Special Services:											
Salaries of Other Professional Staff	11-000-219-104	960,695	(19,200)	941,495	866,039	75,456	964,195	(26,000)	938,195	855,609	82,586
Other Purchased Educational Services	11-000-219-320	65,500	(11,247)	54,253	47,721	6,532	81,500	35,000	116,500	77,164	39,336
Supplies and Materials	11-000-219-600	10,000	(3,517)	6,483	6,408	75	11,000	(8,800)	2,200	73	2,127
Total Other Support Services - Students - Special Services		1,036,195	(33,964)	1,002,231	920,168	82,063	1,056,695	200	1,056,895	932,846	124,049
Improvement of Instruction Services/Other Support Services - Instruction Staff:											
Salaries of Supervisors of Instruction											
Salaries of Supervisors of Instruction	11-000-221-102	545,335		545,335	533,009	12,326	582,066		582,066	546,536	35,530
Other Salaries	11-000-221-110	73,000	43,197	116,197	116,197		134,650	(59,000)	75,650	25,158	50,492
Other Purchased Services	11-000-221-500	26,975	(566)	26,409	20,716	5,693	37,600	(11,277)	26,323	21,396	4,927
Total Improvement of Instruction Services/Other Support Services Instructional Staff		645,310	42,631	687,941	669,922	18,019	754,316	(70,277)	684,039	593,090	90,949
Educational Media Services/School Library:											
Salaries	11-000-222-100	425,985	65,664	491,649	491,649		401,605	(25,000)	376,605	353,884	22,721
Supplies and Materials	11-000-222-600	148,350	12,884	161,234	115,182	46,052	227,798	(30,282)	197,516	139,144	58,372
Total Educational Media Services/School Library		574,335	78,548	652,883	606,831	46,052	629,403	(55,282)	574,121	493,028	81,093

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Instructional Staff Training Services:											
Salaries of Supervisors of Instruction	11-000-223-104	30,200	(9,100)	21,100	2,231	18,869	29,150	(2,382)	26,768	4,051	22,717
Total Instructional Staff Training Services		30,200	(9,100)	21,100	2,231	18,869	29,150	(2,382)	26,768	4,051	22,717
Support Services General Administration:											
Salaries	11-000-230-100	368,625	(20,000)	348,625	325,245	23,380	313,496	40,000	353,496	306,340	47,156
Legal Services	11-000-230-331	55,000		55,000	48,703	6,297	58,000		58,000	36,409	21,591
Audit fees	11-000-230-332	29,500	(2,800)	26,700	25,700	1,000	26,500		26,500	21,500	5,000
Architectural/Engineering Services	11-000-230-334	75,000	(10,000)	65,000	56,576	8,424					
Other Purchased Professional Services	11-000-230-339	47,500	2,000	49,500	28,808	20,692	118,500	26,800	145,300	123,661	21,639
Communications/Telephone	11-000-230-530	185,000	32,000	217,000	215,369	1,631	195,000	22,000	217,000	216,507	493
Travel	11-000-230-585	2,500		2,500	142	2,358	2,500	(2,000)	500		500
Other Purchased Services	11-000-230-590	83,000	524	83,524	80,005	3,519	87,550	(6,200)	81,350	72,746	8,604
Supplies and Materials	11-000-230-610	27,300	4,331	31,631	20,264	11,367	24,500	1,200	25,700	14,941	10,759
In House Training Supplies	11-000-230-630	2,850	(2,000)	850	33	817	2,850		2,850	1,374	1,476
Miscellaneous Expenditures	11-000-230-890	42,650	(1,309)	41,341	24,585	16,756	49,800	(5,299)	44,501	29,187	15,314
BOE Membership Dues	11-000-230-895	20,000	1,356	21,356	21,178	178	20,000	299	20,299	20,299	
Total Support Services General Administration		938,925	4,102	943,027	846,608	96,419	898,696	76,800	975,496	842,964	132,532
Support Services School Administration:											
Salaries of Principals & Assistant Principals	11-000-240-103	943,745	30,000	973,745	934,258	39,487	945,745	34,000	979,745	935,682	44,063
Salaries of Secretarial & Clerical Assistants	11-000-240-105	770,000	(85,000)	685,000	642,009	42,991	729,777	16,000	745,777	744,951	826
Purchased Professional & Technical Services	11-000-240-300	8,500		8,500	4,690	3,810	15,000	(10,000)	5,000		5,000
Other Purchased Services	11-000-240-500	122,150	(12,090)	110,060	97,213	12,847	131,800	(113,583)	18,217	12,235	5,982
Lease Purchase	11-000-240-440							97,600	97,600	91,029	6,571
General Supplies	11-000-240-600	93,600	12,253	105,853	74,948	30,905	99,025	(11,152)	87,873	53,000	34,873
Other Objects	11-000-240-800	10,300	(410)	9,890	8,233	1,657	10,200	(58)	10,142	8,124	2,018
Total Support Services School Administration		1,948,295	(55,247)	1,893,048	1,761,351	131,697	1,931,547	12,807	1,944,354	1,845,021	99,333

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MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Central Services:											
Salaries	11-000-251-100	574,540	31,500	606,040	572,879	33,161	528,464	26,617	555,081	553,391	1,690
Purchased Professional Services	11-000-251-330	10,250	3,000	13,250	7,872	5,378	6,750	3,950	10,700	5,918	4,782
Purchased Technical Services	11-000-251-340	3,000	(3,000)				3,000	(3,000)			
Other Purchased Services	11-000-251-592	11,400		11,400	7,129	4,271	17,300		17,300	5,713	11,587
General Supplies	11-000-251-600	50,100	258	50,358	27,221	23,137	65,900	(2,175)	63,725	27,123	36,602
Miscellaneous Expenditures	11-000-251-890	18,575		18,575	3,302	15,273	21,525	1,225	22,750	5,509	17,241
Total Central Services		667,865	31,758	699,623	618,403	81,220	642,939	26,617	669,556	597,654	71,902
Administrative Information Technology:											
Salaries	11-000-252-100	240,910		240,910	215,459	25,451	231,895	(10,567)	221,328	209,917	11,411
Purchased Professional Services	11-000-252-330	30,500		30,500	18,203	12,297	8,000	(8,000)			
Purchased Technical Services	11-000-252-340	20,000	(11,000)	9,000	9,000		20,000	22,500	42,500	33,104	9,396
Other Purchased Services	11-000-252-500	55,000	(17,500)	37,500	29,511	7,989	55,000		55,000	42,527	12,473
General Supplies	11-000-252-600	25,000	17,500	42,500	37,227	5,273	25,000	569	25,569	17,890	7,679
Total Administrative Information Technology		371,410	(11,000)	360,410	309,400	51,010	339,895	4,502	344,397	303,438	40,959
Maintenance for School Facilities:											
Salaries	11-000-261-100	517,352	15,500	532,852	410,068	122,784	693,255	(41,050)	652,205	447,400	204,805
Cleaning, Repair & Maintenance	11-000-261-420	205,800	(205,800)				250,800	(250,800)			
General Supplies	11-000-261-610	176,000	294,439	470,439	356,531	113,908	209,500	271,567	481,067	365,559	115,508
Total Maintenance for School Facilities		899,152	104,139	1,003,291	766,599	236,692	1,153,555	(20,283)	1,133,272	812,959	320,313
Custodial Services:											
Salaries	11-000-262-100	1,093,250	31,419	1,124,669	1,122,676	1,993	1,113,250		1,113,250	1,044,228	69,022
Salaries of Non-Instructional Aides	11-000-262-107	478,868		478,868	478,868						
Cleaning, Repair & Maintenance Services	11-000-262-420	404,725	(111,510)	293,215	230,297	62,918	454,400	(71,260)	383,140	261,595	121,545
Other Purchased Property Services	11-000-262-490	100,000	2,886	102,886	102,886		100,000	1,772	101,772	101,772	
Insurance	11-000-262-520	54,500		54,500	51,000	3,500	50,670		50,670	48,955	1,715
General Supplies	11-000-262-610	80,500	(39,000)	41,500	19,225	22,275	87,000	373	87,373	31,639	55,734
Energy (Heat & Electricity)	11-000-262-620	770,000	45,000	815,000	758,843	56,157	920,000	166,970	1,086,970	1,031,741	55,229
Energy (Natural Gas)	11-000-262-621	150,000	(35,000)	115,000	91,602	23,398					
Other Objects	11-000-262-800	7,500		7,500	3,607	3,893	7,500		7,500	6,406	1,094
Total Custodial Services		3,139,343	(106,205)	3,033,138	2,859,004	174,134	2,732,820	97,855	2,830,675	2,526,336	304,339
Care & Upkeep of Grounds:											
Salaries	11-000-263-100	95,409	(55,000)	40,409	32,814	7,595					
Cleaning, Repair & Maintenance Services	11-000-263-420	75,000	111,141	186,141	107,182	78,959					
General Supplies	11-000-263-610	25,000		25,000	10,785	14,215					
Total Care & Upkeep of Grounds		195,409	56,141	251,550	150,781	100,769					

MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Security:											
Cleaning, Repair & Maintenance Services	11-000-266-420	45,000	(2,000)	43,000	34,062	8,938					
General Supplies	11-000-266-610	15,000	2,000	17,000	14,819	2,181					
Total Security		60,000		60,000	48,881	11,119					
Total Other Operating & Maintenance of Plant Services		3,394,752	(50,064)	3,344,688	3,058,666	286,022	2,732,820	97,855	2,830,675	2,526,336	304,339
Student Transportation Services:											
Salaries for Non-Instructional Aides	11-000-270-107	127,500		127,500	117,310	10,190					
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,305,745	(55,743)	1,250,002	1,214,862	35,140	1,278,765		1,278,765	1,171,003	107,762
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	430,525	10,743	441,268	411,399	29,869	514,325	15,722	530,047	513,213	16,834
Undistributed Student Transportation - (Other than Home & School)	11-000-270-162	46,250	45,000	91,250	79,198	12,052	58,190	(15,722)	42,468	42,468	
Purchased Professional & Technical Services	11-000-270-390	29,000		29,000	8,638	20,362	33,000	1,882	34,882	29,972	4,910
Lease Purchase Payments - Buses	11-000-270-443	320,000	(56,115)	263,885	242,382	21,503	347,000	(27,500)	319,500	249,454	70,046
Contracted Services (Between Home & School) - Joint Agreement	11-000-270-513							19,941	19,941	19,686	255
Contracted Services ESC & CTSA	11-000-270-518						32,000	(18,489)	13,511		13,511
Miscellaneous Purchased Services	11-000-270-593	82,185	(8,885)	73,300	69,929	3,371	65,900	7,500	73,400	69,533	3,867
Supplies and Materials	11-000-270-600						501,976	(77,072)	424,904	362,080	62,824
Transportation Supplies	11-000-270-615	520,140	(50,000)	470,140	408,904	61,236					
Contracted Services - Aid in Lieu of Payment	11-000-270-503	85,500	15,000	100,500	59,396	41,104	66,000	(3,334)	62,666	62,666	
Miscellaneous Expenditures	11-000-270-800	4,800		4,800	3,210	1,590	4,800		4,800	3,557	1,243
Total Student Transportation Services		2,951,645	(100,000)	2,851,645	2,615,228	236,417	2,901,956	(97,072)	2,804,884	2,523,632	281,252
Student Transportation Services - Employee Benefits:											
Health Benefits	11-000-270-270	692,780		692,780	665,000	27,780	669,350		669,350	626,848	42,502
Total Student Transportation Services - Employee Benefits		692,780		692,780	665,000	27,780	669,350		669,350	626,848	42,502

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Unallocated Benefits - Employee Benefits:											
Social Security Contributions	11-000-291-220	738,710		738,710	692,254	46,456	700,200		700,200	658,502	41,698
Other Retirement Contributions											
Regular	11-000-291-241	498,500	75,400	573,900	573,212	688	548,500	(35,000)	513,500	480,408	33,092
Workers Compensation	11-000-291-260	210,700	(1,200)	209,500	209,349	151	204,450		204,450	203,508	942
Health Benefits	11-000-291-270	5,743,320	(303,200)	5,440,120	5,197,790	242,330	5,578,500	(58,000)	5,520,500	5,191,306	329,194
Tuition Reimbursement	11-000-291-280	85,652	78,653	164,305	152,894	11,411	100,152	4,000	104,152	1,430	102,722
Other Employee Benefits	11-000-291-290	669,650		669,650	626,496	43,154	640,150	8,000	648,150	604,418	43,732
Total Unallocated Benefits - Employee Benefits		7,946,532	(150,347)	7,796,185	7,451,995	344,190	7,771,952	(81,000)	7,690,952	7,139,572	551,380
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					1,221,025	(1,221,025)				1,162,162	(1,162,162)
Reimbursed TPAF Social Security Contributions					1,422,052	(1,422,052)				1,359,920	(1,359,920)
Total Undistributed Expenditures		25,240,731	258,708	25,499,439	26,415,364	(915,925)	24,710,962	(32,491)	24,678,471	24,827,380	(148,909)
Total Expenditures - Current Expense		43,689,354	101,179	43,790,533	44,082,452	(291,919)	43,290,646	45,620	43,336,266	42,279,299	1,056,967
Capital Outlay - Equipment:											
Grade 1 - 5	12-120-100-730	5,000		5,000		5,000	5,000	(5,000)			
Grade 6 - 8	12-130-100-730	7,800		7,800		7,800	28,950	(26,150)	2,800	2,800	
Undistributed Expenditures:											
Instruction	12-000-100-730	155,160	13,383	168,543	165,199	3,344	167,000	7,462	174,462	163,883	10,579
Support Services - Students -											
Regular	12-000-210-730	24,000	8,376	32,376	14,558	17,818	24,000	(16,302)	7,698	7,436	262
Other Support Services	12-000-219-730		5,510	5,510	4,347	1,163					
General Administration	12-000-230-730	2,000	2,835	4,835	2,835	2,000	4,500	8,840	13,340	8,505	4,835
School Administration	12-000-240-730	2,350		2,350		2,350		6,919	6,919	6,919	
Administrative Information											
Technology	12-000-252-730							4,718	4,718	4,718	
Operation & Maintenance of											
Plant Services	12-000-260-730	10,000	13,255	23,255	15,844	7,411	10,000	19,445	29,445	11,395	18,050

MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Capital Outlay - Equipment (continued):											
Total Equipment	206,310	43,359	249,669	202,783	46,886	239,450	(68)	239,382	205,656	33,726	
Facilities Acquisition & Construction Services:											
Construction Services	12-000-400-450	15,000	(5,000)	10,000	10,000	10,000		10,000		10,000	
Land & Improvement	12-000-400-710	100,000	214,262	314,262	204,527	109,735	187,000	216,817	403,817	33,916	
Lease Purchase Agreement											
Principal	12-000-400-721	275,000	(10,000)	265,000	253,583	11,417	258,300		258,300	242,380	
Buildings Other Than Lease Purchase Agreement	12-000-400-722	15,000	(5,510)	9,490		9,490					
Land & Improvement	12-000-400-710					20,000	126,000	146,000	113,000	33,000	
Total Facilities Acquisition & Construction Services		405,000	193,752	598,752	458,110	140,642	475,300	342,817	818,117	389,296	
Total Capital Outlay		611,310	237,111	848,421	660,893	187,528	714,750	342,749	1,057,499	594,952	
Assets Acquired Under Capital Leases (Nonbudgeted):											
Undistributed Expenditures:											
Instructional Equipment					246,451	(246,451)				241,954	(241,954)
Textbooks										109,750	(109,750)
Student Transportation										298,296	(298,296)
Total Assets Acquired Under Capital Leases/ (Nonbudgeted)					246,451	(246,451)				650,000	(650,000)
Special Schools:											
Summer School - Instruction:											
Salaries of Teachers	13-422-100-101	58,945	3,416	62,361	62,361		37,100	19,033	56,133	56,133	
Other Salaries for Instruction	13-422-100-106	15,550	1,616	17,166	17,166		31,825	(18,118)	13,707	13,707	
General Supplies	13-422-100-610	1,000		1,000	985	15	1,000	(12)	988	988	
Total Summer School - Instruction		75,495	5,032	80,527	80,512	15	69,925	903	70,828	70,828	

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				POSITIVE (NEGATIVE)	JUNE 30, 2009				POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Total Expenditures	44,376,159	343,322	44,719,481	45,070,308	(350,827)	44,075,321	389,272	44,464,593	43,595,079	869,514
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/ (Uses)	(2,600,000)	(343,322)	(2,943,322)	(1,877,190)	1,066,132	(2,850,000)	(389,272)	(3,239,272)	(35,219)	3,204,053
Other Financing Uses/(Sources):										
Cancellation of Prior Year Interfund				(136,273)	(136,273)					
Cancellation of Prior Year Accounts Payable				39,005	39,005					
Capital Leases (Nonbudgeted)				246,451	246,451				650,000	650,000
Total Other Financing Sources/(Uses)				149,183	149,183				650,000	650,000
Excess/(Deficiency) of Revenues Over/(Under) After Expenditures & Other Financing Sources/(Uses)	(2,600,000)	(343,322)	(2,943,322)	(1,728,007)	1,215,315	(2,850,000)	(389,272)	(3,239,272)	614,781	3,854,053
Fund Balances, July 1	5,616,159		5,616,159	5,616,159		5,001,378		5,001,378	5,001,378	
Fund Balances, June 30	<u>\$3,016,159</u>	<u>(343,322)</u>	<u>2,672,837</u>	<u>3,888,152</u>	<u>1,215,315</u>	<u>2,151,378</u>	<u>(389,272)</u>	<u>1,762,106</u>	<u>5,616,159</u>	<u>3,854,053</u>

RECAPITULATION OF FUND BALANCE:

Reserve for Encumbrances	\$71,276
Legally Restricted - Designated for Subsequent Year's Expenditures	1,022,157
Excess Surplus - Designated for Subsequent Year's Expenditures	1,831,315
Unrestricted Fund Balance	<u>963,404</u>
Subtotal	3,888,152
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(479,745)</u>
Fund Balance per Governmental Funds (GAAP)	<u><u>\$3,408,407</u></u>

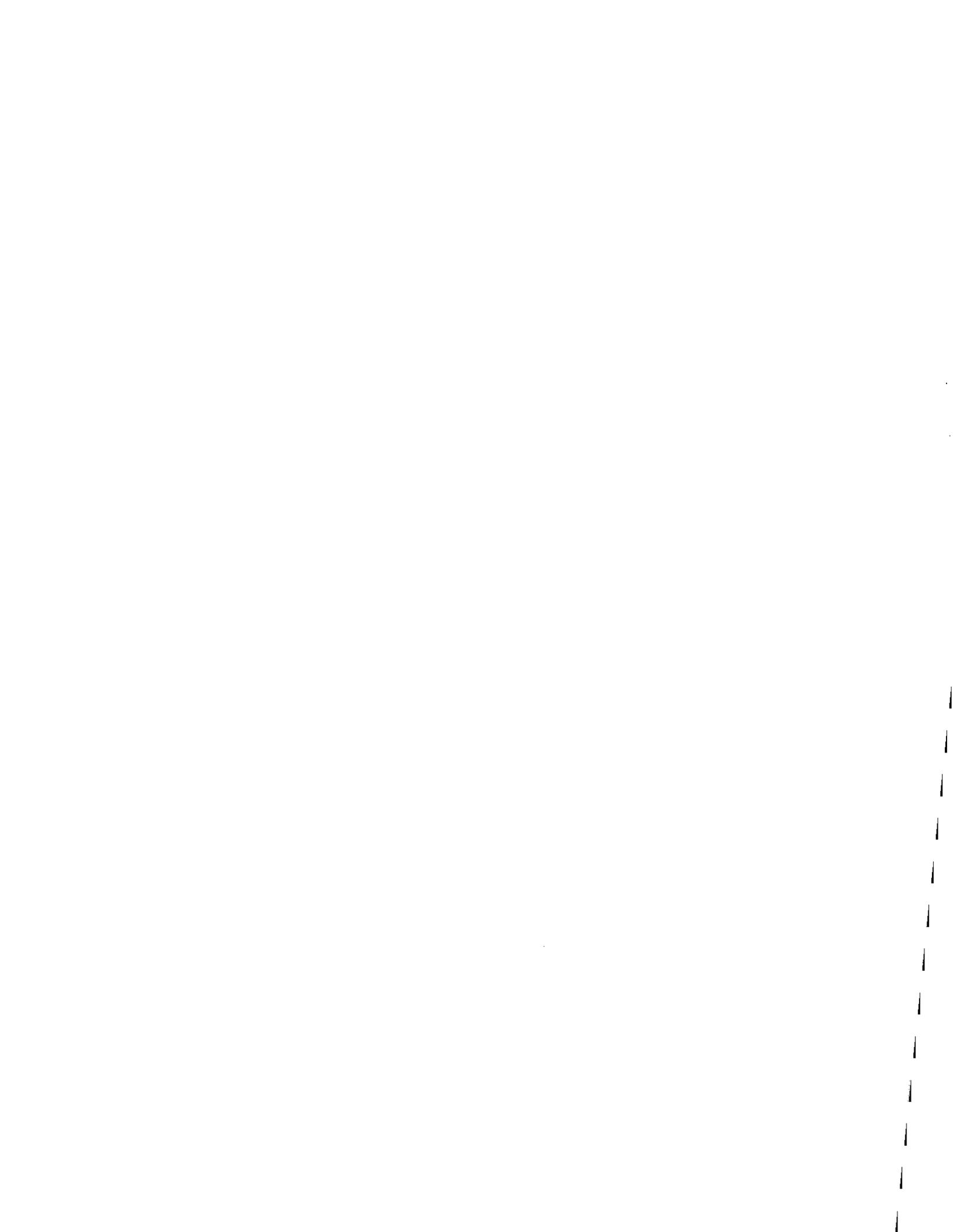
**MEDFORD TOWNSHIP BOARD OF EDUCATION
AMERICAN RECOVERY AND REINVESTMENTS ACT -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	ACCOUNT NUMBER	JUNE 30, 2010			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Federal Sources:					
American Recovery & Reinvestment Act:					
Education Stabilization Fund	16-xxx	\$ -	463,152	463,152	463,152
Government Services Fund	17-xxx		17,929	17,929	17,929
Total Federal Sources			481,081	481,081	481,081
Total Revenues			481,081	481,081	481,081
Expenditures:					
American Recovery & Reinvestment Act:					
Education Stabilization Fund:					
Grades 1 - 5	16-120-100-101		463,152	463,152	463,152
Total ESF Expenditures			463,152	463,152	463,152
Government Services Fund:					
Grades 1 - 5	17-120-100-101		17,929	17,929	17,929
Total GSF Expenditures			17,929	17,929	17,929
Total American Recovery & Reinvestment Act			481,081	481,081	481,081
Total Expenditures			481,081	481,081	481,081
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		\$ -	-	-	-

**MEDFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES										
State Sources	\$198,929	(36,828)	162,101	150,253	11,848	202,731	(33,148)	169,583	169,583	
Federal Sources	619,704	912,257	1,531,961	1,531,961		660,562	168,891	829,453	829,453	
Total Revenues	818,633	875,429	1,694,062	1,682,214	11,848	863,293	135,743	999,036	999,036	
EXPENDITURES:										
Instruction:										
Salaries of Teachers	133,019	15,318	148,337	148,337		125,000	44,031	169,031	169,031	
Purchased Professional & Technical Services	93,136	(20,446)	72,690	62,121	10,569	75,000	5,755	80,755	80,755	
General Supplies	1,077	119,525	120,602	120,602			1,103	1,103	1,103	
Other Purchased Services	16,960	(16,960)				425,000	70,084	495,084	495,084	
Textbooks	24,249	2,442	26,691	26,691						
Total Instruction	268,441	99,879	368,320	357,751	10,569	625,000	120,973	745,973	745,973	
Support Services:										
Purchased Professional & Technical Services		7,680	7,680	7,680			2,547	2,547	2,547	
Purchased Professional - Educational Services	125,091	538,302	663,393	662,114	1,279	128,000	3,945	131,945	131,945	
Personal Services - Employee Benefits	23,352	(2,314)	21,038	21,038		31,000	772	31,772	31,772	
Other Purchased Services (400-500 Series)	5,625	5,075	10,700	10,700		35,000	1,759	36,759	36,759	
Tuition	358,593	121,863	480,456	480,456						
Supplies & Materials	36,300	11,491	47,791	47,791		44,293	4,107	48,400	48,400	
Total Support Services	548,961	682,097	1,231,058	1,229,779	1,279	238,293	13,130	251,423	251,423	
Facilities Acquisition & Construction Services:										
Instructional Equipment	1,231	93,453	94,684	94,684			1,640	1,640	1,640	
Total Facilities Acquisition & Construction Services	1,231	93,453	94,684	94,684			1,640	1,640	1,640	
Total Expenditures	818,633	875,429	1,694,062	1,682,214	11,848	863,293	135,743	999,036	999,036	
Total Outflows	818,633	875,429	1,694,062	1,682,214	11,848	863,293	135,743	999,036	999,036	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-	-	-	-	-	-

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**MEDFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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

	GENERAL FUND N-1	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$43,193,118	1,682,214
Difference - Budget to GAAP:		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(479,745)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	488,229	
	<hr/>	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$43,201,602	1,682,214
	<hr/> <hr/>	
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	\$45,070,308	1,682,214
	<hr/>	
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$45,070,308	1,682,214
	<hr/> <hr/>	

N-1 The general fund budget uses GAAP basis therefore no reconciliation is necessary.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**MEDFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	IMPROVING AMERICA'S SCHOOLS ACT			
	TITLE I	TITLE IV	TITLE II PART A	TITLE II PART D
Revenues:				
State Sources				
Federal Sources	\$70,744	5,837	68,440	794
Total Revenues	\$70,744	5,837	68,440	794
Expenditures:				
Instruction:				
Salaries of Teachers	\$56,004		49,187	
Purchased Professional & Technical Services		697		
General Supplies			95	
Other Purchased Services				
Textbooks				
Total Instruction	56,004	697	49,282	
Support Services:				
Salaries of Other Professional Staff				
Purchased Professional & Technical Services	3,540	4,140		
Purchased Professional Educational Services			9,415	
Personal Services - Employee Benefits	11,200		9,044	794
Other Purchased Services				
Tuition				
Supplies and Materials		1,000		
Total Support Services	14,740	5,140	18,459	794
Facilities Acquisition & Construction Services:				
Instructional Equipment			699	
Total Facilities Acquisition & Construction Services			699	
Total Expenditures	\$70,744	5,837	68,440	794

**MEDFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	I.D.E.A. PART B BASIC REGULAR PROGRAM	I.D.E.A. PRESCHOOL	A.R.R.A. I.D.E.A. PART B BASIC REGULAR PROGRAM	A.R.R.A. I.D.E.A. PRESCHOOL
Revenues:				
State Sources				
Federal Sources	\$619,569	33,085	707,876	25,616
	<hr/>			
Total Revenues	\$619,569	33,085	707,876	25,616
<hr/>				
Expenditures:				
Instruction:				
Salaries of Teachers				
Purchased Professional & Technical Services				
General Supplies			105,891	13,616
Other Purchased Services				
Textbooks				
	<hr/>			
Total Instruction			105,891	13,616
<hr/>				
Support Services:				
Salaries of Other Professional Staff				
Purchased Professional & Technical Services				
Purchased Professional Educational Services	\$126,607		510,000	
Personal Services - Employee Benefits				
Other Purchased Services			10,000	
Tuition	447,962	32,494		
Supplies and Materials	45,000	591		
	<hr/>			
Total Support Services	619,569	33,085	520,000	
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Facilities Acquisition & Construction Services:				
Instructional Equipment			81,985	12,000
	<hr/>			
Total Facilities Acquisition & Construction Services			81,985	12,000
	<hr/>			
Total Expenditures	\$619,569	33,085	707,876	25,616
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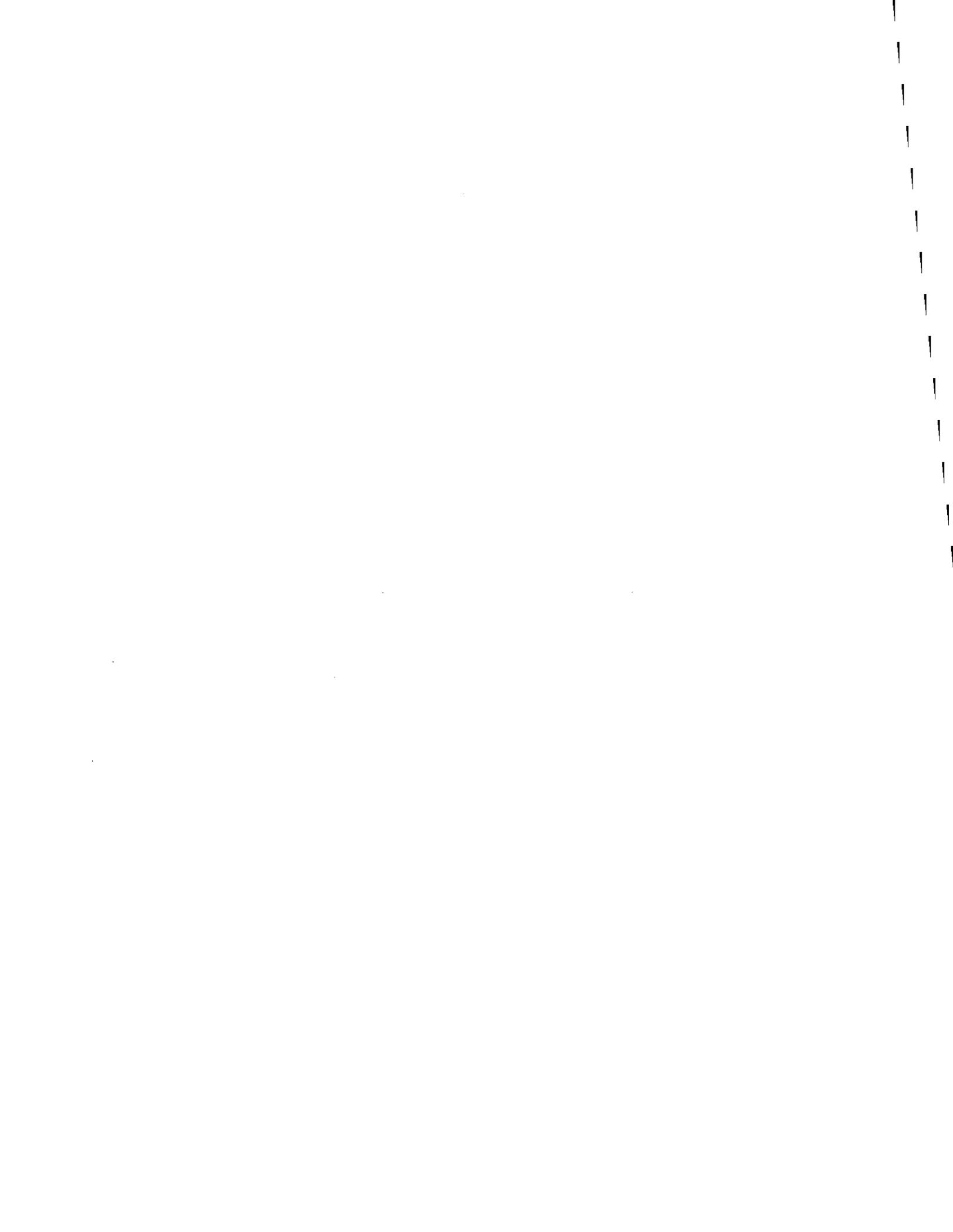
**MEDFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	NONPUBLIC TECHNOLOGY PROGRAM	NJ NONPUBLIC HANDICAPPED SERVICES CH 193			NONPUBLIC AUXILIARY CH 192 COMPENSATORY EDUCATION
		EXAMINATION & CLASSIFICATION	CORRECTIVE SPEECH	SUPPLEMENTARY INSTRUCTION	
Revenues:					
State Sources	\$31,652	14,992	19,100	10,672	44,146
Federal Sources					
Total Revenues	\$31,652	14,992	19,100	10,672	44,146
Expenditures:					
Instruction:					
Salaries of Teachers					43,146
Purchased Professional & Technical Services	\$31,652		19,100	10,672	
General Supplies					1,000
Other Purchased Services Textbooks					
Total Instruction	31,652		19,100	10,672	44,146
Support Services:					
Salaries of Other Professional Staff					
Purchased Professional & Technical Services					
Purchased Professional Educational Services		14,992			
Personal Services - Employee Benefits					
Other Purchased Services Tuition					
Supplies and Materials					
Total Support Services		14,992			
Facilities Acquisition & Construction Services:					
Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$31,652	14,992	19,100	10,672	44,146

**MEDFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	NONPUBLIC TEXTBOOKS PROGRAM	NJ SCHOOLS TO WATCH GRANT	2010	2009
Revenues:				
State Sources	\$26,691	3,000	150,253	169,583
Federal Sources			1,531,961	829,453
Total Revenues	\$26,691	3,000	1,682,214	999,036
Expenditures:				
Instruction:				
Salaries of Teachers			148,337	169,031
Purchased Professional & Technical Services			62,121	80,755
General Supplies			120,602	1,103
Other Purchased Services				495,084
Textbooks	\$26,691		26,691	
Total Instruction	26,691		357,751	745,973
Support Services:				
Salaries of Other Professional Staff				2,547
Purchased Professional & Technical Services			7,680	
Purchased Professional Educational Services		1,100	662,114	131,945
Personal Services - Employee Benefits			21,038	31,772
Other Purchased Services		700	10,700	36,759
Tuition			480,456	
Supplies and Materials		1,200	47,791	48,400
Total Support Services		3,000	1,229,779	251,423
Facilities Acquisition & Construction Services:				
Instructional Equipment			94,684	1,640
Total Facilities Acquisition & Construction Services			94,684	1,640
Total Expenditures	\$26,691	3,000	1,682,214	999,036

F. Capital Projects Fund



**MEDFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

PROJECT TITLE/ISSUE	APPROPRIATIONS	EXPENDITURES TO DATE		CANCELLATION OF EDA GRANT RECEIVABLE	CANCELLATION OF PRIOR YEAR INTERFUND	TRANSFER UNEXPENDED PROCEEDS TO DEBT SERVICE	UNEXPENDED BALANCE JUNE 30, 2010
		PRIOR YEARS	CURRENT YEAR				
Construction of Elementary Schools, Transportation Center & Upgrades to Existing Schools	\$48,022,119	\$46,169,479	-	311,567	136,273	1,677,346	

**MEDFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Revenues & Other Financing Sources:	
Bond Proceeds	\$6,526
	<hr/>
Total Revenues	6,526
	<hr/>
Other Financing Sources Uses:	
Cancellation of Prior Year Interfund	136,273
Operating Transfers Out	(271,078)
	<hr/>
Total Other Financing Sources Uses:	(271,078)
	<hr/>
Fund Balance - Beginning	128,279
	<hr/>
Fund Balance - Ending	\$ -
	<hr/> <hr/>

**MEDFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
SOUTH ROUTE 70 ELEMENTARY SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$3,428,506		3,428,506	3,428,506
Bond Proceeds & Transfers	14,633,289	6,526	14,639,815	14,639,815
Total Revenues	18,061,795	6,526	18,068,321	18,068,321
Expenditures & Other Financing Uses:				
Purchased Professional & Technical				
Technical Services	1,640,352		1,640,352	1,640,352
Land & Improvements	4,347,129		4,347,129	4,347,129
Construction Services	10,231,060		10,231,060	10,231,060
Equipment Purchases	282,984		282,984	282,984
Miscellaneous	534,416		534,416	534,416
Total Expenditures	17,035,941		17,035,941	17,035,941
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	1,025,854	6,526	1,032,380	1,032,380
Other Financing Sources/(Uses):				
Cancellation of Prior Year				
Interfund		136,273	136,273	
Operating Transfers Out	(897,575)	(271,078)	(1,168,653)	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing	\$128,279	(128,279)	-	1,032,380

ADDITIONAL PROJECT INFORMATION

Project Number	3080-N01-02-0150
Bond Authorization Date	05/03/02
Bonds Authorized	14,633,289
Bonds Issued	14,633,289
Original Authorized Cost	18,068,321
Revised Authorized Cost	17,035,941
Percentage Increase Over Original Authorized Cost	-5.714%
Original Target Completion Date	September 2006
Revised Target Completion Date	September 2006

G. Proprietary Funds

Enterprise Funds

**MEDFORD TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMPARATIVE COMBINING SCHEDULE OF NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2010	2009
Current Assets:			
Cash & Cash Equivalents	\$154,551	154,551	162,738
Accounts Receivable:			
State	730	730	692
Federal	7,654	7,654	6,506
Interfunds Receivable			11,109
Inventories	18,712	18,712	16,114
Total Current Assets	181,647	181,647	197,159
Fixed Assets:			
Equipment	375,049	375,049	375,049
Accumulated Depreciation	(332,495)	(332,495)	(322,261)
Total Fixed Assets	42,554	42,554	52,788
Total Assets	224,201	224,201	249,947
LIABILITIES			
Prepaid Meals	18,294	18,294	19,998
Accounts Payable	24,911	24,911	56,880
Total Liabilities	43,205	43,205	76,878
NET ASSETS			
Investment in Capital Assets	42,554	42,554	52,788
Unrestricted	138,442	138,442	120,281
Total Net Assets	\$180,996	180,996	173,069

**MEDFORD TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMPARATIVE COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2010	2009
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs:			
School Lunch /Milk Program	\$400,292	400,292	366,299
Daily Sales Nonreimbursable Programs	274,938	274,938	287,153
Special Functions	51,340	51,340	53,627
	<hr/>		
Total Operating Revenue	726,570	726,570	707,079
	<hr/>		
Operating Expenses:			
Salaries	344,212	344,212	343,453
Supplies & Materials	43,248	43,248	44,060
Liability Insurance	13,253	13,253	14,670
Miscellaneous	18,234	18,234	26,168
Equipment Maintenance	4,780	4,780	6,279
Management Fee	53,232	53,232	52,583
Depreciation Expense	10,234	10,234	13,543
Cost of Sales	362,334	362,334	364,447
	<hr/>		
Total Operating Expenses	849,527	849,527	865,203
	<hr/>		
Operating Income/(Loss)	(122,957)	(122,957)	(158,124)
	<hr/>		
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	9,270	9,270	9,704
Federal Sources:			
National School Lunch Program	90,254	90,254	78,607
Special Milk Program	1,746	1,746	3,234
Food Distribution Program	27,306	27,306	35,184
Interest Revenue	2,308	2,308	2,499
	<hr/>		
Total Nonoperating Revenues	130,884	130,884	129,228
	<hr/>		
Net Income/(Loss)	7,927	7,927	(28,896)
Net Assets/(Deficit) - July 1	173,069	173,069	201,965
	<hr/>		
Net Assets/(Deficit) - June 30	\$180,996	180,996	173,069
	<hr/> <hr/>		

**MEDFORD TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 COMPARATIVE COMBINING SCHEDULE OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010
 (With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	2010	2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$724,866	724,866	708,120
Payments to Suppliers	(873,860)	(873,860)	(1,121,687)
Net Cash Provided/(Used) by Operating Activities	(148,994)	(148,994)	(413,567)
Cash Flows From Noncapital Financing Activities:			
Interfund Receivable	11,109	11,109	(11,109)
State Sources	9,232	9,232	11,939
Federal Sources	118,158	118,158	135,043
Net Cash Provided/(Used) by Noncapital Financing Activities	138,499	138,499	135,873
Cash Flows From Investing Activities:			
Interest Earnings	2,308	2,308	2,499
Net Cash Provided/(Used) by Investing Activities	2,308	2,308	2,499
Net Increase/(Decrease) in Cash & Cash Equivalents	(8,187)	(8,187)	(275,195)
Balances - Beginning of Year	162,738	162,738	437,933
Balances - End of Year	\$154,551	154,551	162,738

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

Operating Income/(Loss)	(\$122,957)	(122,957)	(158,124)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	10,234	10,234	13,543
Increase/(Decrease) in Interfund Payable			(11,117)
Increase/(Decrease) in Prepaid	(1,704)	(1,704)	1,041
(Increase)/Decrease in Inventories	(2,598)	(2,598)	(2,041)
Increase/(Decrease) in Accounts Payable	(31,969)	(31,969)	(256,869)
Total Adjustments	(26,037)	(26,037)	(255,443)
Net Cash Provided/(Used) by Operating Activities	(\$148,994)	(148,994)	(413,567)

Internal Service Fund

Not Applicable

H. Fiduciary Fund

**MEDFORD TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ASSETS	AGENCY		PRIVATE PURPOSE		2010	2009
	STUDENT ACTIVITY	PAYROLL AGENCY	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP		
Cash & Cash Equivalents	\$288,578	303,715	273,133	16,987	882,413	867,213
Total Assets	288,578	303,715	273,133	16,987	882,413	867,213
LIABILITIES						
Interfund Payables		83,309			83,309	144,515
Accounts Payables			6,150		6,150	8,690
Payroll Deductions & Withholdings		220,406			220,406	176,871
Due to Student Groups	288,578				288,578	249,125
Total Liabilities	288,578	303,715	6,150		598,443	579,201
NET ASSETS						
Held in Reserve for Unemployment Claims			266,983		266,983	270,223
Reserved for Scholarships				16,987	16,987	17,789
Total Net Assets	-	-	266,983	16,987	283,970	288,012

**MEDFORD TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	PRIVATE PURPOSE		2010	2009
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION		
Operating Revenues:				
Local Sources:				
Deductions from Employees' Salaries		43,834	43,834	36,179
Interest on Investments	\$298	3,368	3,666	2,945
Total Operating Revenues	298	47,202	47,500	39,124
Operating Expenditures:				
Unemployment Claims		50,442	50,442	33,589
Scholarship Payments	1,100		1,100	1,100
Total Operating Expenses	1,100	50,442	51,542	34,689
Excess/(Deficit) of Revenues Over/ (Under) Expenditures	(802)	(3,240)	(4,042)	4,435
Fund Balances, July 1	17,789	270,223	288,012	283,577
Fund Balances, June 30	\$16,987	266,983	283,970	288,012

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

	BALANCE JUNE 30, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
Elementary Schools:				
Taunton Forge	\$9,969	48,884	38,505	20,348
Chairville	16,663	38,208	35,530	19,341
Haines	35,312	68,190	73,548	29,954
Cranberry Pines	41,337	40,202	28,726	52,813
Kirby's Mill	21,433	32,287	33,703	20,017
Milton H. Allen	27,529	42,551	40,189	29,891
Total Elementary Schools	<u>152,243</u>	<u>270,322</u>	<u>250,201</u>	<u>172,364</u>
Junior High School:				
Memorial	96,882	223,099	203,767	116,214
Total Junior High School	<u>96,882</u>	<u>223,099</u>	<u>203,767</u>	<u>116,214</u>
Total All Schools	<u>\$249,125</u>	<u>493,421</u>	<u>453,968</u>	<u>288,578</u>

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

ASSETS	BALANCE JUNE 30, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Cash & Cash Equivalents	\$321,386	40,152,989	40,170,660	303,715
Total Assets.	<u>\$321,386</u>	<u>40,152,989</u>	<u>40,170,660</u>	<u>303,715</u>
LIABILITIES				
Net Payroll & Withholdings	\$176,871	40,152,989	40,109,454	220,406
Interfund Payables:				
General Fund	144,515		61,206	83,309
Total Liabilities	<u>\$321,386</u>	<u>40,152,989</u>	<u>40,170,660</u>	<u>303,715</u>

I. Long-Term Debt

**MEDFORD TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2010**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2009	ISSUED	RETIRED	BALANCE JUNE 30, 2010
			DATE	AMOUNT					
Refunding Bond Issue	01/24/2008	\$4,380,000	02/01/11	\$605,000	4.00%	\$3,810,000		610,000	3,200,000
			02/01/12	590,000	4.00%				
			02/01/13	680,000	5.00%				
			02/01/14	670,000	5.00%				
			02/01/15	655,000	4.50%				
2002 Series	03/01/2002	7,100,000	03/01/11	1,320,000	4.50%	2,580,000		1,260,000	1,320,000
Refunding Bond Issue	02/07/2006	28,710,000	03/01/12	1,455,000	4.500%	28,710,000			28,710,000
			03/01/13	1,515,000	4.500%				
			03/01/14	1,580,000	4.500%				
			03/01/15	1,635,000	4.500%				
			03/01/16	1,690,000	4.500%				
			03/01/17	1,770,000	4.625%				
			03/01/18	1,840,000	4.700%				
			03/01/19	1,880,000	4.750%				
			03/01/20	1,970,000	4.750%				
			03/01/21	1,955,000	4.875%				
			03/01/22	1,945,000	4.875%				
			03/01/23	1,930,000	5.000%				
			03/01/24	1,910,000	5.000%				
			03/01/25	1,895,000	5.000%				
			03/01/26	1,880,000	5.000%				
			03/01/27	1,860,000	5.000%				
			Total						

**MEDFORD TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2010**

DESCRIPTION	DATE OF LEASE	TERM	LAST PAYMENT DUE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2009	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2010
Copiers for Central, Memorial, Cranberry Pines & Allen Schools	8/22/2005	5 YEARS	1/1/2010	7.66%	\$226,849	\$44,966		44,966	
School Buses & Cafeteria Equipment System	7/17/2006	5 YEARS	1/15/2011	3.79%	500,000	200,000		100,000	100,000
(2) Digital Copiers for CP & Allen	10/23/2006	3 YEARS	9/23/2009	7.00%	37,825	3,464		3,464	
Savin Copier for Memorial	8/8/2007	3 YEARS	8/8/2009	7.00%	23,432	7,856		7,856	
Dell Computers	9/27/2007	3 YEARS	8/27/2010	7.00%	15,837	6,556		5,586	970
Postage Machine	8/1/2007	3 YEARS	7/31/2010	4.50%	253,183	84,710		84,710	
Copier for Memorial Media Center	1/7/2008	5 YEARS	1/7/2013	7.00%	6,486	3,914		3,914	
Copiers for Chairville, Kirby's Mill, Business, CST	7/1/2007	3 YEARS	6/1/2010	7.00%	14,412	5,143		5,143	
Savin Copiers for Haines & Taunton Forge	9/5/2007	3 YEARS	8/5/2010	7.00%	135,179	55,956		47,681	8,275
School Buses, Textbooks, Technology Equipment and Kitchen Equipment	9/18/2007	4 YEARS	8/18/2011	7.00%	39,463	22,735		10,067	12,668
Copiers for Chairville, Kirby's Mill, Allen Business, Memorial	7/1/2008	5 YEARS	7/1/2013	3.27%	650,000	650,000		120,000	530,000
	2/15/2010	5 YEARS	2/15/2014	7.00%	246,451		246,451	47,705	198,746
Total						<u>\$1,085,300</u>	<u>246,451</u>	<u>481,092</u>	<u>850,659</u>

**MEDFORD TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010			VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 2009			VARIANCE FAVORABLE (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Revenues:									
Local Sources:									
Local Tax Levy	\$2,927,866		2,927,866	2,927,866		2,931,840	2,931,840	2,931,840	
Total Revenues	2,927,866		2,927,866	2,927,866		2,931,840	2,931,840	2,931,840	
Expenditures:									
Regular Debt Service:									
Interest	1,494,150		1,494,150	1,489,150	5,000	1,574,908	1,574,908	1,569,908	5,000
Redemption of Principal	1,875,000		1,875,000	1,870,000	5,000	1,790,000	1,790,000	1,775,000	15,000
Total Expenditures	3,369,150		3,369,150	3,359,150	10,000	3,364,908	3,364,908	3,344,908	20,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(441,284)		(441,284)	(431,284)	10,000	(433,068)	(433,068)	(413,068)	(20,000)
Other Financing Sources/(Uses):									
Operating Transfers In				271,078	271,078			413,067	413,067
Total Other Financing Sources/(Uses)				271,078	271,078			413,067	413,067
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	(441,284)		(441,284)	(160,206)	281,078	(433,068)	(433,068)	(1)	393,067
Fund Balances July 1, 2009	441,284		441,284	441,284		441,285	441,285	441,285	
Fund Balances June 30, 2010	\$ -	-	281,078	281,078	8,217	-	8,217	441,284	393,067

STATISTICAL SECTION (Unaudited)

MEDFORD TOWNSHIP BOARD OF EDUCATION
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:								
Invested in Capital Assets, Net of Related Debt	\$35,076,157	34,052,853	33,170,798	31,307,648	29,757,339	25,788,135	6,726,626	19,407,601
Restricted	2,724,411	4,778,520	4,620,546	5,845,644	6,485,308	10,841,708	18,059,557	11,067,831
Unrestricted	(1,240,464)	(1,456,480)	(465,724)	311,251	(291,786)	(430,982)	8,619,841	628,605
Total Governmental Activities Net Assets	\$36,560,104	37,374,893	37,325,620	37,464,543	35,950,861	36,198,861	33,406,024	31,104,037
Business-Type Activities:								
Invested in Capital Assets, Net of Related Debt	\$42,554	52,788	66,331	75,601	54,574	43,539	53,153	56,888
Unrestricted	138,442	120,281	135,634	130,458	114,297	101,039	152,564	145,322
Total Business-Type Activities Net Assets	\$180,996	173,069	201,965	206,059	168,871	144,578	205,717	202,210
District-Wide:								
Invested in Capital Assets, Net of Related Debt	\$35,118,711	34,105,641	33,237,129	31,383,249	29,811,913	25,831,674	6,779,779	19,464,489
Restricted	2,724,411	4,778,520	4,620,546	5,845,644	6,485,308	10,841,708	18,059,557	11,067,831
Unrestricted	(1,102,022)	(1,336,199)	(330,090)	441,709	(177,489)	(329,943)	8,772,405	773,927
Total District Net Assets	\$36,741,100	37,547,962	37,527,585	37,670,602	36,119,732	36,343,439	33,611,741	31,306,247

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental Activities:								
Instruction:								
Regular	\$13,153,219	13,569,075	12,836,488	12,735,190	12,386,661	11,365,338	10,753,565	10,647,877
Special Education	4,370,758	4,139,178	4,159,125	3,627,369	3,583,662	3,100,456	2,702,906	2,326,901
Other Special Instruction	376,203	366,000	329,607	305,684	345,686	348,337	390,253	456,606
Other Instruction	124,659	123,639	161,580	116,956	116,394	110,400	105,519	165,569
Support Services & Undistributed Costs:								
Tuition	1,578,557	1,256,541	1,351,346	1,951,907	1,445,759	1,297,803	1,262,590	1,236,480
Attendance & Social Work Serv	6,175	5,997	5,299	2,496	3,709	2,359	2,561	2,435
Health Services	503,881	465,904	528,467	498,063	474,629	426,771	361,836	353,446
Student & Instruction Related Services	3,541,219	2,629,436	3,260,812	2,123,689	2,750,085	2,183,785	2,195,090	2,223,776
Educational Media Services/								
School Library	606,831	493,028	598,062	597,151	555,794	547,522	399,896	390,099
Instructional Staff Training	672,153	597,141	522,951	428,041	369,245	3,840	74,038	24,852
School Administrative Services	846,608	842,964	907,487	919,286	855,587	819,464	947,848	954,229
Other Administrative Services	2,689,154	2,621,113	2,828,830	2,620,692	2,450,195	2,321,167	1,432,777	1,389,420
Plant Operations & Maintenance	3,825,265	3,339,295	3,461,444	3,482,568	3,375,734	2,935,435	2,508,948	2,266,957
Pupil Transportation	3,280,228	2,942,096	3,214,706	2,829,355	2,513,551	2,453,555	2,025,889	1,743,664
Business & Other Support Services						188	374,241	347,356
Unallocated Benefits	10,095,072	9,661,654	10,797,442	10,017,055	8,437,677	7,615,023	6,506,231	5,650,291
Interest on Long-Term Debt	1,404,885	1,592,479	1,578,613	1,544,203	2,181,236	2,010,787	2,056,260	2,759,592
Special Schools	80,512	70,828	60,199	39,698	40,202		179,675	
Amortization of Bond Issuance								
Costs	14,117	14,114	3,782	3,782	3,782			
Amortization of Loss on Early Retirement of Debt								
Unallocated Nondepreciable Assets	33,218	33,218	33,218	33,218	33,218			
Increase in Compensated Absences	36,274	418,323	234,547	(223,569)	73,204	(609,413)	282,152	652,297
Reduction in Capital Leases	(481,092)							
Unallocated Depreciation	1,948,724	2,057,407	1,563,965	989,041	978,225	1,792,723	1,216,633	1,177,242
Total Governmental Activities Expenses	48,706,620	47,239,430	48,437,970	44,901,681	42,974,235	38,725,540	35,778,908	34,769,089
Business-Type Activities:								
Food Service	849,527	865,203	843,317	755,102	735,371	741,533	645,372	607,692
Total Business-Type Activities Expense	849,527	865,203	843,317	755,102	735,371	741,533	645,372	607,692
Total District Expenses	\$49,556,147	48,104,633	49,281,287	45,656,783	43,709,606	39,467,073	36,424,280	35,376,781
Program Revenues:								
Governmental Activities:								
Charges for Services:								
Operating Grants & Contributions	\$1,587,530	997,396	989,112	987,128	1,013,222	976,185	925,687	889,355
Total Governmental Activities Program Revenues	1,587,530	997,396	989,112	987,128	1,013,222	976,185	925,687	889,355
Business-Type Activities:								
Charges for Services:								
Food Service	726,570	707,079	703,182	625,112	628,509	557,831	534,089	513,545
Operating Grants & Contributions	128,576	126,729	127,357	122,541	122,715	117,237	112,830	97,410
Total Business Type Activities Program Revenues	855,146	833,808	830,539	747,653	751,224	675,068	646,919	610,955
Total District Program Revenues	\$2,442,676	1,831,204	1,819,651	1,734,781	1,764,446	1,651,253	1,572,606	1,500,310

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense)/Revenue:								
Governmental Activities	(\$47,119,090)	(46,242,034)	(47,448,858)	(43,914,553)	(41,961,013)	(37,749,355)	(34,853,221)	(33,879,734)
Business-Type Activities	5,619	(31,395)	(12,778)	(7,449)	15,853	(66,465)	1,547	3,263
Total District-Wide Net Expense	(\$47,113,471)	(46,273,429)	(47,461,636)	(43,922,002)	(41,945,160)	(37,815,820)	(34,851,674)	(33,876,471)
General Revenues & Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes, Levied for General Purposes, Net	\$35,454,808	34,491,065	34,153,568	32,595,738	30,097,041	29,222,823	25,502,634	23,533,866
Taxes Levied for Debt Service	2,927,866	2,931,840	3,037,016	2,984,124	3,202,400	3,122,944	3,628,334	3,459,036
Federal & State Aid Not Restricted	7,114,398	8,149,046	9,457,957	9,171,373	7,804,036	7,422,063	7,013,539	6,311,750
Miscellaneous Income	733,606	695,745	680,138	808,788	754,021	806,774	1,030,409	978,261
Amortization of Gain on Early Retirement of Debt	34,618	34,619						
Cancellation of Accounts Payabl	39,005							
Cancellation of EDA Receivable		(35,294)		(131,788)	(144,485)			
Total Governmental Activities	46,304,301	46,267,021	47,328,679	45,428,235	41,713,013	40,574,604	37,174,916	34,282,913
Business-Type Activities:								
Investment Earnings	2,308	2,499	8,684	10,762	8,440	5,326	1,960	2,240
Total Business-Type Activities	2,308	2,499	8,684	10,762	8,440	5,326	1,960	2,240
Total District-Wide	\$46,306,609	46,269,520	47,337,363	45,438,997	41,721,453	40,579,930	37,176,876	34,285,153
Change in Net Assets:								
Governmental Activities	(\$814,789)	24,987	(120,179)	1,513,682	(248,000)	2,825,249	2,321,695	403,179
Business-Type Activities	7,927	(28,896)	(4,094)	3,313	24,293	(61,139)	3,507	5,503
Total District	(\$806,862)	(3,909)	(124,273)	1,516,995	(223,707)	2,764,110	2,325,202	408,682

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:								
Reserved	\$2,924,748	4,774,637	4,154,668	4,937,825	4,637,370	5,184,908	2,690,299	957,186
Unreserved	483,659	353,293	593,063	637,427	571,363	535,559	785,736	1,378,450
Total General Fund	\$3,408,407	5,127,930	4,747,731	5,575,252	5,208,733	5,720,467	3,476,035	2,335,636
All Other Governmental Funds:								
Reserved	\$250,000	441,284		477,117	400,663	3,881,556	12,889,489	25,594,357
Unreserved, Reported in:								
Capital Projects Fund		128,279	567,703	1,086,538	2,086,767	2,244,034	1,574,466	10,954,286
Debt Service Fund	31,078		441,284	441,284		185,243	886,596	483,726
Permanent Fund				18,744	18,850	18,746	18,707	18,684
Total All Other Governmental Funds	\$281,078	569,563	1,008,987	2,023,683	2,506,280	6,329,579	15,369,258	37,051,053

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Tax Levy	\$38,382,674	37,422,905	37,190,584	35,579,862	33,299,441	32,345,767	29,130,968	26,992,902	23,368,030	21,243,223
Miscellaneous	733,606	695,745	680,138	808,788	754,021	806,774	1,030,409	978,261	503,685	374,416
State Sources	6,688,886	8,316,989	9,617,272	9,350,643	8,024,788	7,597,777	7,192,990	6,539,694	15,906,403	6,675,791
Federal Sources	2,013,042	829,453	829,797	807,858	792,470	800,471	746,236	661,411	595,899	421,092
Total Revenue	47,818,208	47,265,092	48,317,791	46,547,151	42,870,720	41,550,789	38,100,603	35,172,268	40,374,017	28,714,522
Expenditures:										
Current Expense:										
Instruction	18,024,839	18,197,892	17,467,920	16,785,199	16,432,403	14,924,531	13,952,242	13,596,953	12,735,770	11,739,770
Undistributed Expenditures	27,645,143	25,078,803	27,316,280	25,562,370	22,535,603	20,595,797	18,091,946	16,654,424	14,787,069	14,053,658
Capital Outlay	1,002,028	1,246,592	1,883,489	1,681,124	5,078,241	9,805,461	22,953,306	7,079,119	6,586,689	1,695,026
Special Schools	80,512	70,828	60,199	39,698	40,202	32,413	19,707	66,609	58,587	52,190
Debt Service	3,359,150	3,344,908	3,416,036	3,527,418	3,605,269	3,587,834	3,618,334	3,672,934	858,758	884,358
Total Expenditures	50,111,672	47,939,023	50,143,924	47,595,809	47,691,718	48,946,036	58,635,535	41,070,039	35,026,873	28,425,002
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,293,464)	(673,931)	(1,826,133)	(1,048,658)	(4,820,998)	(7,395,247)	(20,534,932)	(5,897,771)	5,347,144	289,520
Other Financing Sources/(Uses):										
Bond Proceeds									37,926,000	
Cancellation of EDA Receivable		(35,294)		(131,788)	(144,485)					
Cancellation of Accounts Payable	39,005									
Eminent Domain Settlement					350,000					
Capital Leases (Nonbudget)	246,451	650,000	487,992	579,045	280,450	600,000		107,422	226,849	66,504
Total Other Financing Sources/ (Uses)	285,456	614,706	487,992	447,257	485,965	600,000		107,422	38,152,849	66,504
Net Change in Fund Balances	(\$2,008,008)	(59,225)	(1,338,141)	(601,401)	(4,335,033)	(6,795,247)	(20,534,932)	(5,790,349)	43,499,993	356,024
Debt Service as a Percentage of Noncapital Expenditures	6.8%	7.2%	7.1%	7.7%	8.5%	9.2%	10.1%	10.8%	3.0%	3.3%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

FISCAL YEAR ENDED JUNE 30,	TUITION	TRANSPORTATION AGREEMENTS	INTEREST ON INVESTMENTS	PRIOR YEAR REFUNDS	MISCELLANEOUS	MUNICIPAL CONTRIBUTION	TRACK DONATION	SALE & TRANSPORTATION FEES	REBATES FOR ENERGY CONSERVATION	INSURANCE SETTLEMENT	TOTAL
2010	\$109,297	57,147	98,828	2,351	391,027				68,430		727,080
2009	83,904	93,302	93,658	3,751	335,862				76,330		686,807
2008	80,042	51,886	268,613	11,948	149,230				77,134		638,853
2007	51,965	66,883	369,629	10,478	127,347		10,000		98,171	10,978	745,451
2006	68,124	49,924	109,624	13,410	307,797		10,000		139,878		698,757
2005	11,031		136,607	375,164	231,437		10,000	42,535			806,774
2004	673		42,028	58,157	235,050	300,000	10,000				645,908
2003	1,161		48,680	27,717	235,546						313,104
2002	12,529		62,857	62,731	165,994						304,111
2001	19,110		190,615	18,389	71,302					75,000	374,416

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2009	\$18,184,300	1,545,481,100	21,002,200	2,795,800	150,000,300	9,632,700	29,815,900	1,776,912,300	5,060,019	1,781,972,319	3.068	3,497,216,064
2008	19,490,900	1,543,120,700	20,985,600	2,371,800	148,612,500	9,632,700	29,815,900	1,774,030,100	4,312,379	1,778,342,479	3.009	3,392,905,370
2007	19,726,600	1,540,876,800	20,521,400	2,390,000	148,084,500	8,942,700	29,815,900	1,770,357,900	4,368,758	1,774,726,658	3.009	3,216,151,933
2006	18,501,400	1,533,665,400	20,779,600	2,678,600	147,051,200	8,942,700	29,815,900	1,761,434,800	3,857,376	1,765,292,176	2.104	2,885,232,105
2005	21,187,300	1,508,864,000	20,565,900	2,499,700	145,992,900	8,842,900	29,815,900	1,737,768,600	4,556,478	1,742,325,078	2.104	2,575,228,327
2004	24,717,600	1,491,676,400	20,774,400	2,508,000	146,420,700	8,636,100	29,815,900	1,724,549,100	5,294,504	1,729,843,604	2.096	2,291,536,280
2003	30,038,800	1,457,353,200	20,077,000	2,495,500	144,866,400	8,636,100	29,815,900	1,693,282,900	6,084,320	1,699,367,220	2.016	2,038,689,629
2002	34,934,100	1,413,551,900	20,790,100	2,742,100	145,376,700	8,636,100	29,815,900	1,655,846,900	6,372,355	1,662,219,255	1.911	1,881,400,593
2001	39,413,800	1,366,138,000	19,736,600	2,758,400	140,772,000	8,636,100	29,815,900	1,607,270,800	6,351,794	1,613,622,594	1.870	1,745,064,780
2000	34,853,000	1,331,173,600	19,501,900	2,733,900	137,345,100	8,651,100	29,815,900	1,564,074,500	5,817,745	1,569,892,245	1.715	1,666,613,644

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL	REGIONAL	TOTAL	TOWNSHIP	BURLINGTON	MUNICIPAL	
	SCHOOL	SCHOOL	DIRECT	MEDFORD TOWNSHIP	COUNTY	OPEN SPACE	
2009	2.154	0.914	3.068	0.495	0.715	0.030	4.308
2008	2.104	0.905	3.009	0.495	0.743	0.030	4.277
2007	2.096	0.923	3.019	0.498	0.763	0.030	4.310
2006	2.016	0.890	2.906	0.499	0.726	0.030	4.161
2005	1.911	0.863	2.774	0.469	0.676	0.030	3.949
2004	1.870	0.819	2.689	0.469	0.621	0.030	3.809
2003	1.715	0.776	2.491	0.396	0.611	0.030	3.528
2002	1.624	0.642	2.266	0.377	0.608	0.030	3.281
2001	1.448	0.566	2.014	0.339	0.524	0.029	2.906
2000	1.350	0.594	1.944	0.349	0.602	0.020	2.915

Source: Municipal Tax Collector

**MEDFORD TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND TEN YEARS AGO**

TAXPAYER	2010		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
The Estaugh	\$18,651,500	1	1.05%
Sharp Run, LLC	8,480,000	2	0.48%
Medford Associates	7,156,500	3	0.40%
Medford Supermarket Properties	5,250,000	4	0.29%
Medford Convalescent	5,019,600	5	0.28%
Haynes Run Apartments	4,507,000	6	0.25%
Medford Medical Group	4,100,000	7	0.23%
Medford Center Assoc.	4,042,000	8	0.23%
Medford Associates	3,331,600	9	0.19%
Medford Investors Asso., LLC	3,100,000	10	0.17%
Total	\$63,638,200		3.57%

EXHIBIT J-9

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2010	\$38,382,674	38,382,674	100.00%
2009	37,422,905	37,422,905	100.00%
2008	37,190,584	37,190,584	100.00%
2007	35,579,862	35,579,862	100.00%
2006	33,299,441	33,299,441	100.00%
2005	32,345,767	32,345,767	100.00%
2004	29,130,968	29,130,968	100.00%
2003	26,992,902	26,992,902	100.00%
2002	23,368,030	23,368,030	100.00%
2001	21,243,223	21,243,223	100.00%

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

EXHIBIT J-10

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2010	\$33,230,000	850,659		34,080,659	N/A
2009	35,100,000	1,085,300		36,185,300	N/A
2008	36,875,000	886,064		37,931,064	1,664
2007	38,795,000	854,013		39,649,013	1,740
2006	40,500,000	574,949		41,074,949	1,772
2005	41,346,000	549,438		41,895,438	1,801
2004	42,911,000	156,962		43,067,962	1,844
2003	44,431,000	232,820		44,663,820	1,920
2002	45,931,000	196,817		46,127,817	2,007
2001	8,450,000	77,816		8,527,816	377

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2010	\$33,230,000		33,230,000	N/A	N/A
2009	35,100,000		35,100,000	1.97%	1,544
2008	36,875,000		36,875,000	2.07%	1,576
2007	38,795,000		38,795,000	2.28%	1,699
2006	40,500,000		40,500,000	2.29%	1,743
2005	41,346,000		41,346,000	2.37%	1,773
2004	42,911,000		42,911,000	2.48%	1,833
2003	44,431,000		44,431,000	2.61%	1,907
2002	45,931,000		45,931,000	2.76%	1,996
2001	8,450,000		8,450,000	0.52%	373

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2010**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Lenape Regional High School	\$98,764,000	17.57%	\$17,352,944
Medford Township	37,938,772	100%	37,938,772
Burlington County	395,252,496	6.64%	26,244,766
Subtotal, Overlapping Debt			64,183,538
Medford Township Board of Education Debt			33,230,000
Total Direct & Overlapping Debt			\$97,413,538

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

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

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt Limit	\$102,730,334	100,526,487	94,165,294	85,867,210	76,364,285	67,746,747	60,435,284	54,905,434	51,209,622	48,727,749
Total Net Debt Applicable to Limit	<u>33,230,000</u>	<u>35,100,000</u>	<u>37,045,000</u>	<u>38,795,000</u>	<u>40,500,000</u>	<u>41,346,000</u>	<u>42,911,000</u>	<u>44,431,000</u>	<u>45,931,000</u>	<u>8,450,000</u>
Legal Debt Margin	<u>\$69,500,334</u>	<u>65,426,487</u>	<u>57,120,294</u>	<u>47,072,210</u>	<u>35,864,285</u>	<u>26,400,747</u>	<u>17,524,284</u>	<u>10,474,434</u>	<u>5,278,622</u>	<u>40,277,749</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (3.0%)	0.970%	1.047%	1.180%	1.355%	1.591%	1.831%	2.130%	2.428%	2.691%	0.520%

Legal Debt Margin Calculation for Fiscal Year 2009

	Equalized Valuation Basis
	2009 \$3,412,545,228
	2008 3,482,587,161
	2007 <u>3,377,900,973</u>
	<u>\$10,273,033,362</u>
Average Equalized Valuation of Taxable Property	<u>\$3,424,344,454</u>
Debt Limit (3 % of Average Equalization Value)	\$102,730,334
Net Bonded School Debt	<u>33,230,000</u>
Legal Debt Margin	<u>\$69,500,334</u>

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

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

YEAR	POPULATION (a)	BURLINGTON COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2009	22,726	N/A	N/A
2008	22,794	46,564	5.3%
2007	22,788	45,463	1.7%
2006	23,181	43,551	2.4%
2005	23,261	40,795	2.2%
2004	23,356	39,606	4.3%
2003	23,264	37,982	4.7%
2002	22,983	37,299	4.7%
2001	22,621	36,912	3.2%
2000	22,310	35,279	2.9%

Source:

US Department of Commerce

US Bureau of Census

PRINCIPAL EMPLOYERS

	2010 <hr/> EMPLOYEES
Medford Township Board of Education	524
The Estaugh	388
Shop Rite	219
Medford Convalescent	180
Acme	177
McDonalds	90
	<hr/>
Total	1,578 <hr/> <hr/>

MEDFORD TOWNSHIP PUBLIC SCHOOLS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

95

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Instruction:										
Regular	238	238	240	239	240	239	219	193	197	185
Special Education	49	49	48	45	45	43	42	38	40	40
Other Special Education	120	121	121	118	119	109	91	71	76	65
Support Services:										
School Administrative Services	20	20	20	20	20	19	14	14	15	15
General & Business Administrative Services	6	7	7	7	7	7	6	7	7	7
Plant Operations & Maintenance	30	32	35	36	37	33	31	28	29	33
Pupil Transportation	56	57	59	59	57	55	49	43	43	40
Business & Other Support Services	5	5	5	5	5	5	5	5	5	4
Total	524	529	535	529	530	510	457	399	412	389

Source: District Personnel Records

**MEDFORD TOWNSHIP PUBLIC SCHOOLS
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	<u>PUPIL/TEACHER RATIO</u>		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL				
2010	3,118	\$45,750,494	14,673	0.0061%	287	1:17	1:19	3,117	2,986	-0.01%	95.77%
2009	3,074	43,347,523	13,148	0.0077%	287	1:14	1:19	3,083	2,969	-0.01%	96.30%
2008	3,067	40,914,612	13,340	0.0077%	288	1:13	1:18	3,059	2,953	-0.01%	96.35%
2007	3,093	42,387,267	13,704	0.0067%	284	1:14	1:19	3,092	2,979	0.13%	96.40%
2006	3,096	39,008,208	12,601	0.0074%	285	1:14	1:19	3,088	2,975	1.32%	96.50%
2005	3,046	35,552,741	11,673	0.0079%	282	1:14	1:18	3,042	2,972	1.71%	96.10%
2004	2,996	32,063,895	10,704	0.0086%	261	1:16	1:18	2,991	2,965	0.37%	95.70%
2003	2,984	29,361,924	9,841	0.0093%	231	1:17	1:17	2,980	2,962	0.75%	95.96%
2002	2,962	26,707,263	9,017	0.0110%	237	1:18	1:18	2,958	2,929	4.86%	96.55%
2001	2,828	25,222,591	8,918	0.0105%	225	1:17	1:19	2,821	2,805	2.96%	95.91%

Sources: District records

Note: Enrollment based on annual October district count.

a. Operating expenditures equal total expenditures less debt service and capital outlay.

b. Teaching staff includes only full-time equivalents of certificated staff.

**MEDFORD TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Elementary Schools:										
Chairville School (2004):										
Square Feet	64,000	64,000	64,000	64,000	64,000	64,000	64,000			
Capacity (Students)	500	500	500	500	500	500	500			
Enrollment	476	454	442	424	420	423	420			
Cranberry Pines School (1979):										
Square Feet	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231
Capacity (Students)	479	479	479	479	479	479	479	479	479	479
Enrollment (a)	392	406	424	456	453	467	453	514	511	503
Kirby's Mill School (2004):										
Square Feet	66,000	66,000	66,000	66,000	66,000	66,000	66,000			
Capacity (Students)	515	515	515	500	500	500	500			
Enrollment	394	407	396	387	384	396	373			
Milton Allen School (1926):										
Square Feet	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396
Capacity (Students)	486	486	486	486	486	486	486	486	486	486
Enrollment	392	392	397	405	403	388	364	452	449	441
Taunton Forge School (1975):										
Square Feet	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772
Capacity (Students)	447	447	447	447	447	447	447	447	447	447
Enrollment	378	385	362	367	365	374	375	472	464	453
Middle School:										
Haines 6th Grade Center (1960):										
Square Feet	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363
Capacity (Students)	461	461	461	461	461	461	461	461	461	461
Enrollment	348	357	356	337	336	346	354	520	487	462
Memorial Middle School (1968):										
Square Feet	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750
Capacity (Students)	1131	1131	1131	1131	1131	1131	1131	1131	1131	1131
Enrollment	741	673	682	715	713	697	689	1,021	1012	997
Other Buildings:										
Transportation Center (2003):										
Square Feet	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400		
Warehouse: Old Bus Garage (1946):										
Square Feet	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420
Number of Schools at June 30, 2010:										
Elementary = 5										
Middle School = 1										
Sixth Grade Center = 1										
Other = 2										

Source: District Facilities Office

Note: Year of original construction is shown in parentheses.

Enrollment is based on the annual October District count.

**MEDFORD TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	CHAIRVILLE SCHOOL	CRANBERRY PINES SCHOOL	HAINES 6TH GRADE CENTER	KIRBY'S MILL SCHOOL	MEMORIAL MIDDLE SCHOOL	MILTON ALLEN SCHOOL	TAUNTON FORGE SCHOOL	TOTAL
2010	\$55,536	88,240	93,567	54,501	215,078	132,121	127,556	766,599
2009	54,259	108,678	124,562	56,745	210,357	141,241	117,117	812,959
2008	63,590	128,905	144,794	66,559	358,048	153,721	128,271	1,043,888
2007	91,090	119,110	143,302	106,618	259,585	180,382	146,516	1,046,603
2006	140,694	137,308	154,051	136,402	186,732	160,169	163,831	1,079,187
2005	54,732	131,777	127,625	54,075	332,729	137,997	97,314	936,249
2004		143,166	139,243		316,543	148,301	110,417	857,670
2003		108,301	108,740		264,452	116,466	87,681	685,640
2002		99,650	96,525		210,962	111,640	83,822	602,599
2001		85,009	82,202		184,971	95,776	70,795	518,753
Total School Facilities	\$459,901	1,150,144	1,214,611	474,900	2,539,457	1,377,814	1,133,320	8,350,147

Source: District records

**MEDFORD TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2010**

	COVERAGE	DEDUCTIBLE
Burlington County Insurance Pool, Joint Insurance Fund (BCIPJIF):		
Property / Auto Physical Damage / Crime	\$10,000,000	500
General Liability / Auto Liability	10,000,000	
Educator's Legal Liability	10,000,000	
Excess Workers' Compensation/Employees' Liability		
Property / Automobile Physical Damage	150,000,000	500
Boiler and Machinery	100,000,000	1,000
Crime	500,000	500
Hazardous Substances	250,000	1,000
Selective Insurance:		
Surety Bond Coverage:		
Board Secretary - Bryan McGair	350,000	
Treasurer of School Monies - N. Janet Cooper	325,000	

Source: District records.

SINGLE AUDIT SECTION



Certified Public Accountants & Consultants

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Medford Township
County of Burlington
Medford, New Jersey 08055

We have audited the financial statements of the Board of Education of the Medford Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated September 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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 the 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 Medford Township Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a

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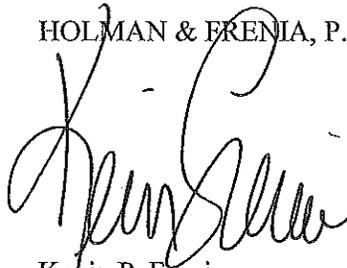
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direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of 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 of the audit committee, management, the Medford Township Board of Education, the New Jersey State Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'Kevin P. Frenia', written over the printed name below.

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

Medford, New Jersey
September 17, 2010



Certified Public Accountants & Consultants

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Medford Township
County of Burlington
Medford, New Jersey 08055

Compliance

We have audited the compliance of Board of Education of the Medford Township School District, in the County of Burlington, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2010. Board of Education of the Medford Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Board of Education of the Medford Township School District's management. Our responsibility is to express an opinion on Board of Education of the Medford Township School District's compliance based on our audit.

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

In our opinion, the Board of Education of the Medford Township School District, County of Burlington, 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 year ended June 30, 2010.

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Internal Control Over Compliance

The management of the Board of Education of the Medford Township School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to major federal and state programs. In planning and performing our audit, we considered Medford Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Medford Board of Education's internal control over compliance.

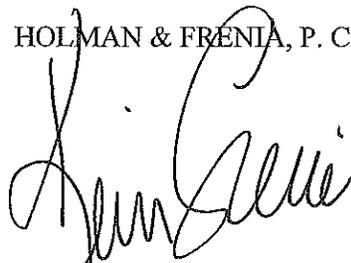
A deficiency in a District's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 for the information of the management of the Board of Education of the Medford Township School District, the New Jersey State Department of Education, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



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

Medford, New Jersey
September 17, 2010

**MEDFORD TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	PROGRAM AWARD AMOUNT	GRANT PERIOD	BALANCE	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS	DUE TO
					AT JUNE 30, 2009			RECEIVABLE) AT JUNE 30, 2010	GRANTOR AT JUNE 30, 2010
U.S. DEPARTMENT OF AGRICULTURE PASS - THROUGH STATE DEPARTMENT OF EDUCATION:									
Food Distribution Program	10.550	N/A	\$27,306	7/1/09-6/30/10		27,306	(27,306)		
National School Lunch Program	10.555	N/A	90,254	7/1/09-6/30/10		82,788	(90,254)	(7,466)	
National School Lunch Program	10.555	N/A	78,607	7/1/08-6/30/09	(\$6,203)	6,203			
Special Milk Program	10.556	N/A	1,746	7/1/09-6/30/10		1,558	(1,746)	(188)	
Special Milk Program	10.556	N/A	3,234	7/1/08-6/30/09	(303)	303			
Total U.S. Department of Agriculture					(6,506)	118,158	(119,306)	(7,654)	
U.S. DEPARTMENT OF EDUCATION PASS - THROUGH STATE DEPARTMENT OF EDUCATION:									
Education Stabilization Fund - ARRA	84.394	N/A	463,152	9/1/09-8/31/10		463,152	(463,152)		
Government Service Fund - ARRA	84.397	N/A	17,929	9/1/09-8/31/10		17,929	(17,929)		
Title I	84.010	IASA408003	70,744	9/1/09-8/31/10		70,744	(70,744)		
Title II Part A	84.281	IASA408003	68,440	9/1/09-8/31/10		68,440	(68,440)		
Title II Part D	84.318X	IASA408003	794	9/1/09-8/31/10		794	(794)		
Title II Part D	84.318X	IASA408003	832	9/1/08-8/31/09	(832)	832			
Title IV	84.186	IASA408003	5,837	9/1/09-8/31/10		5,837	(5,837)		
I.D.E.A. Part B, Basic Regular	84.027	FT408003	619,569	9/1/09-8/31/10		619,569	(619,569)		
A.R.R.A. - I.D.E.A. Part B, Basic Regular	84.391		707,876	9/1/09-8/31/10		707,876	(707,876)		
I.D.E.A. Preschool	84.173	FT408003	33,085	9/1/09-8/31/10		33,085	(33,085)		
A.R.R.A. - I.D.E.A. Preschool	84.392		25,616	9/1/09-8/31/10		25,616	(25,616)		
Total U.S. Department of Education					(832)	2,013,874	(2,013,042)		
Total					(\$7,338)	2,132,032	(2,132,348)	(7,654)	

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MEDFORD TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT			REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2010			MEMO CUMULATIVE		
				JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES CANCELLED		(ACCOUNTS RECEIVABLE)	DEFERRED REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	TOTAL EXPENDITURES	
General Fund:													
Transportation Aid	10-495-034-5120-014	\$1,136,741	7/1/09-6/30/10		738,882	(738,882)					96,695	738,882	
Special Education Aid	10-495-034-5120-089	1,558,967	7/1/09-6/30/10		1,152,271	(1,152,271)					132,610	1,152,271	
Equalization Aid	10-495-034-5120-078	2,651,372	7/1/09-6/30/10		1,429,398	(1,429,398)					225,533	1,429,398	
Security Aid	10-495-034-5120-084	205,905	7/1/09-6/30/10		133,838	(133,838)					17,515	133,838	
Adjustment Aid	10-495-034-5120-085	86,902	7/1/09-6/30/10		56,486	(56,486)					7,392	56,486	
Extraordinary Aid	09-100-034-5120-473	324,299	7/1/08-6/30/09	(\$324,299)	324,299								
Extraordinary Aid	10-495-034-5120-044	94,846	7/1/09-6/30/10			(371,969)		(371,969)				371,969	
Nonpublic Transportation Aid	10-495-034-5120-014	4,228	7/1/09-6/30/10			(4,228)		(4,228)				4,228	
Nonpublic Transportation Aid	09-495-034-5120-014	3,132	7/1/08-6/30/09	(3,132)	3,132								
On Behalf TPAF Pension Contributions	10-495-034-5095-001	1,221,025	7/1/09-6/30/10		1,221,025	(1,221,025)						1,221,025	
Reimbursed TPAF Social Security Contributions	10-495-034-5095-002	1,422,052	7/1/09-6/30/10		1,422,052	(1,422,052)						1,422,052	
Reimbursed TPAF Social Security Contributions	09-495-034-5095-002	1,359,920	7/1/08-6/30/09	(66,304)	66,304								
Total General Fund Assistance				(393,735)	6,547,687	(6,530,149)		(376,197)			479,745	6,530,149	
Special Revenue Fund:													
Character Education Act	N/A	8,043	7/1/04-6/30/05	8,043					8,043				
NJ Schools to Watch Grant	N/A	3,000	7/1/09-6/30/10		3,000	(3,000)						3,000	
Nonpublic Aid:													
Textbooks	10-100-034-5120-064	26,691	7/1/09-6/30/10		26,691	(26,691)						26,691	
Nursing	09-100-034-5120-070	31,652	7/1/09-6/30/10		31,652	(31,652)						31,652	
Home Instruction	09-100-034-5120-067	5,605	7/1/08-6/30/09	(4,115)	3,142		973						
Supplemental Instruction	10-100-034-5120-067	14,336	7/1/09-6/30/10		14,336	(10,672)				3,664		10,672	
Supplemental Instruction	09-100-034-5120-067	19,824	7/1/08-6/30/09	19,824				(19,824)					
Auxiliary Services	10-100-034-5120-067	44,146	7/1/09-6/30/10		44,146	(44,146)						44,146	
Speech	09-100-034-5120-067	39,990	7/1/08-6/30/09	8,109				(8,109)					
Speech	10-100-034-5120-067	26,005	7/1/09-6/30/10		26,005	(19,100)				6,905		19,100	
Examination & Classification	10-100-034-5120-066	16,271	7/1/09-6/30/10		16,271	(14,992)				1,279		14,992	
Examination & Classification	09-100-034-5120-066	22,374	7/1/08-6/30/09	7,018				(7,018)					
Teacher Quality Mentoring	05-495-034-5120-052	3,575	7/1/06-6/30/07	3,575						3,575			
Total Special Revenue Fund Assistance				42,454	165,243	(150,253)	973	(34,951)		11,618	11,848	150,253	
Enterprise Fund:													
National School Lunch Program (State Share)	10-100-034-5120-122	9,270	7/1/09-6/30/10		8,540	(9,270)			(730)			9,270	
National School Lunch Program (State Share)	09-100-034-5120-122	9,704	7/1/08-6/30/09	(692)	692								
Total Enterprise Fund Assistance				(692)	9,232	(9,270)			(730)			9,270	
Total State Financial Assistance				(\$351,973)	6,722,162	(6,689,672)	973	(34,951)	(376,927)	11,618	11,848	479,745	6,689,672

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**MEDFORD TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010**

Note 1. General

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

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 basis of accounting are described in Note 1 to the Board's basic financial statements.

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget 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 \$8,484 for the general fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis and are presented as follows:

**MEDFORD TOWNSHIP BOARD OF EDUCATION
 NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
 JUNE 30, 2010**

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

	Federal	State	Total
General Fund	\$ 481,081	\$6,538,633	\$7,019,714
Special Revenue Fund	1,531,961	150,253	1,682,214
Enterprise Fund	<u>119,306</u>	<u>9,270</u>	<u>128,576</u>
Total Financial Assistance	<u>\$2,132,348</u>	<u>\$6,698,156</u>	<u>\$8,830,504</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Other

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

Note 6. Federal and State Loans Outstanding

Medford Township Board of Education had no loan balances outstanding at June 30, 2010.

**MEDFORD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2010**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Where Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With 510(A) of Circular A-133	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A. Part B – Basic Regular
84.391	I.D.E.A. Part B – ARRA
84.394	Education Stabilization Fund - ARRA

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**MEDFORD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2010**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered To be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
10-495-034-5095-002	TPAF Social Security Contributions

**MEDFORD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2010**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

No Current Year Findings

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

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

No Current Year Findings

**MEDFORD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2010**

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

No Prior Year Findings