

**SCHOOL DISTRICT OF THE
BOROUGH OF ELMWOOD PARK
COUNTY OF BERGEN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

**School District
Of the**

Borough of Elmwood Park

**BOROUGH OF ELMWOOD PARK BOARD OF EDUCATION
Elmwood Park, New Jersey**

**Comprehensive Annual Financial Report
Year Ended June 30, 2011**

Comprehensive Annual Financial Report

of the

**BOROUGH OF ELMWOOD PARK
BOARD OF EDUCATION
Elmwood Park, New Jersey**

Year Ended June 30, 2011

Prepared by

**Elmwood Park Board of Education
Business Office**

OUTLINE OF CAFR

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INTRODUCTORY SECTION



ELMWOOD PARK PUBLIC SCHOOLS

OFFICE OF THE BOARD SECRETARY/BUSINESS ADMINISTRATOR

RICHARD D. TOMKO
SUPERINTENDENT OF SCHOOLS

60 EAST 53RD STREET
ELMWOOD PARK, NEW JERSEY 07407
(201) 796-8700 EXT. 2980
FAX (201) 703-9337

WILLIAM P. MOFFITT
BOARD SECRETARY
BUSINESS ADMINISTRATOR

Date: December 1, 2011

Honorable President and
Members of the Board of Education
Elmwood Park School District
Bergen County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Elmwood Park School District (district) for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of the principal officials. The financial section includes the independent auditor's report, management discussion and analysis, the basic financial statements and notes. 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 Revised, "Audits of State and Local Governments," and the State Office of Management and Budget Circular Letter 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Elmwood Park 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 Elmwood Park Board of Education and all its schools constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. The district completed the 2009-10 fiscal year with an average daily enrollment of 2,311 students, which is 12 students more than the previous year's enrollment. The following details the changes in the student enrollment of the district over the last six years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2010-11	2,402	4.0%
2009-10	2,311	4.1
2008-09	2,299	3.93
2007-08	2,212	3.75
2006-07	2,132	0.51
2005-06	2,121	0.52

2. ECONOMIC CONDITION AND OUTLOOK: The Borough of Elmwood Park is almost fully developed and only a nominal amount of vacant land remains undeveloped. Most land use changes reflect the results of redevelopment. This has resulted in a static tax base. This appears to be the picture in the immediate future.

3. MAJOR INITIATIVES:

- Attaining proficiency on the New Jersey Assessment of Skills and Knowledge (NJASK) in Grades 3-8 and HSPA in Grade 11 continues to necessitate additional instructional resources and staff training.
- New training and instructional materials will continue to be linked to the ACCESS test which is now required for all ESL/bilingual students.
- Increased emphasis on academic contests, showcasing student performance relative to the New Jersey Core Curriculum Content Standards, continue to be encouraged at all levels (elementary school, middle school and high school).
- Continued improvement of district's full day kindergarten program and pre-school disabled program.

- Maintained Pre-School Disabled program which absorbs resident students currently sent to other public schools to fulfill state required services. This initiative includes a review of staffing requirements, as well as a need for supplies and materials for the program.
- Increased professional development opportunities that permit staff to attend out-of-district workshops in support of district targets, building goals, highly qualified teacher requirements and personal improvement plans.
- Continued to provide quality professional training in-district, through Fall and Winter Staff Development Day programs, in accordance with the District Professional Plan.
- Continued district funding of professional publications in support of professional growth for district personnel.
- Expanded technology training throughout the district. Training was centered on groups of beginner, intermediate and advanced learners for selected technology programs.
- Upgraded, repaired and/or installed new computers and interactive notebooks K-12 in accordance with the District Technology Equipment Service/Purchasing Cycle.
- Continued the integration of computers and technology, including interactive boards, projectors and other peripherals into all subjects Pre-K-12 in alignment with the District Technology Plan.
- Updated district technology instructional software at all levels (elementary, middle school and high school) in accordance with the District Technology Software Purchasing Cycle.
- Continued to support the new high school technology class for all incoming freshman. This course is aligned with the New Jersey Core Curriculum Technology Content Standards and serves as a foundation for our high school computer literacy program.
- Continued to expand services and activities for our K-12 special education students in accordance with school improvement plans.
- Updated classroom textbooks in accord with the district approved five year replacement schedule.
- Continued to supplement programs and materials directly connected to standardized testing and instruction in testing skills.

- Implementation of curriculum updates and revisions based upon current trends, needs, mandates, student outcomes and New Jersey Core Curriculum Content Standards.
- Instituted a Before and After Care Program for students in Grades Pre-K-8.
- Prepared to launch summer camp program for area children.

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

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management. As a 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 reappropriation of fund balance in the subsequent year. Those amount to be reappropriated are reported as reservations of fund balance at June 30, 2011.

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

requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7. **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.

8. **INDEPENDENT AUDIT**: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkotz, Cerullo, & Cuva, was selected by the board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 Revised and the State Office of Management and Budget Circular Letter 04-04. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



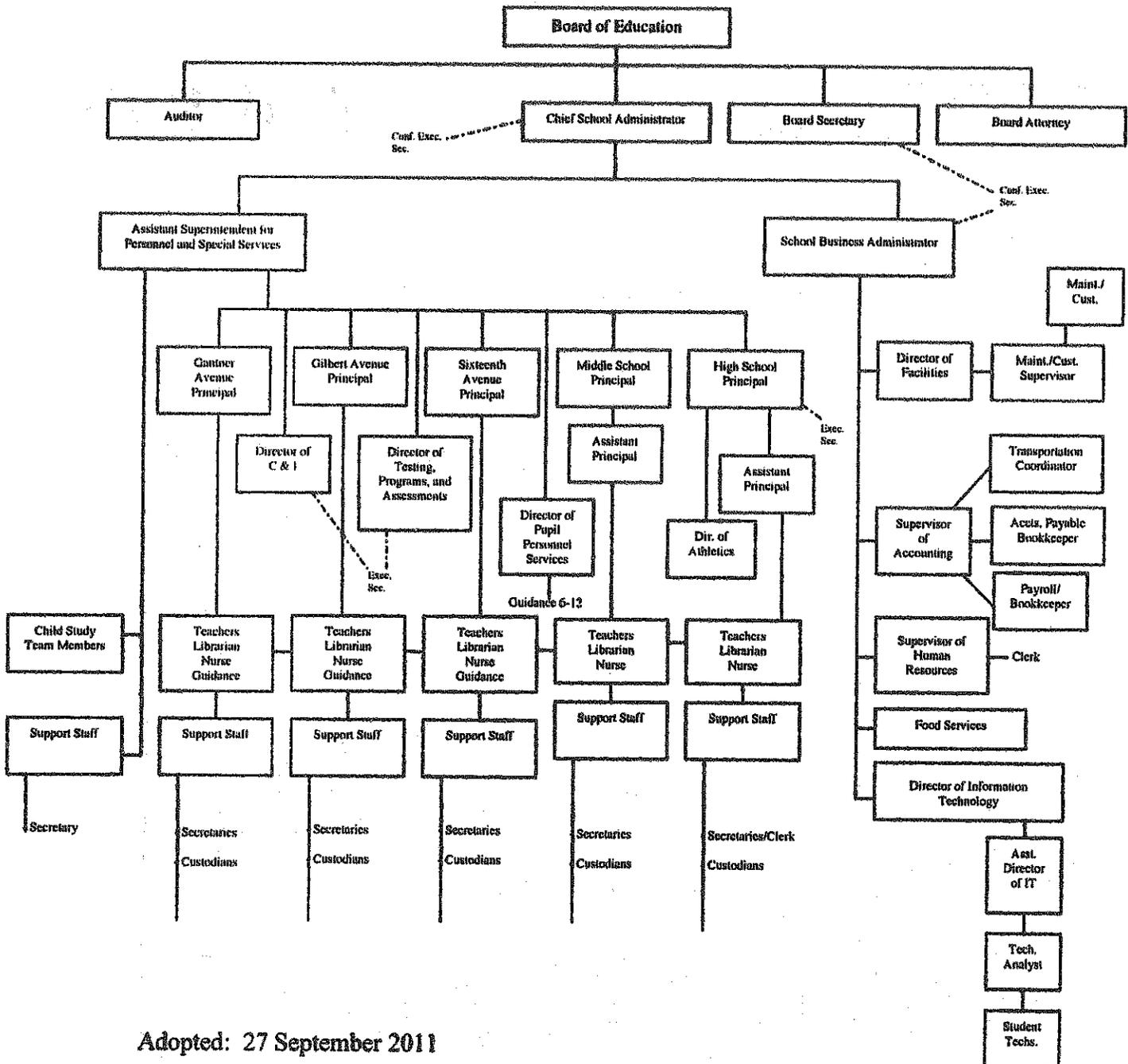
William P. Moffitt
Board Secretary/Bus. Admin.

POLICY

ELMWOOD PARK BOARD OF EDUCATION

ADMINISTRATION
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Organizational Chart

1110 ORGANIZATIONAL CHART



Adopted: 27 September 2011



ELMWOOD PARK SCHOOL DISTRICT
ELMWOOD Park, New Jersey

ROSTER OF OFFICIAL

June 30, 2011

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Claire Kalinowski, President	2012
Lori Sproviero, Vice President	2012
Sandra Balistrieri	2012
Keith Cannizzo	2013
Douglas DeMatteo	2014
Louise Gerardi	2013
Jennifer Pellegrine	2013
Arlene Perna-Rudmann	2014
Kathleen Policano	2014
<u>Other Officials</u>	
Richard D. Tomko, Ph., D., Superintendent	
William P. Moffitt, Board Secretary/Business Administrator	
Schwartz Simon Edelstein Celso, Esqs., Board Attorney	

ELMWOOD PARK SCHOOL DISTRICT
CONSULTANTS AND ADVISORS

ARCHITECT

DiCara Rubino
30 Galesi Drive
Wayne, New Jersey 07470

AUDIT FIRM

Ferraioli, Wielkocz, Cerullo & Cuva
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

ATTORNEY

Schwartz Simon Edelstein Celso
100 South Jefferson Road
Whippany, New Jersey 07981

OFFICIAL DEPOSITORY

Valley National Bank
Broadway/Route 4
Elmwood Park, New Jersey 07407

FINANCIAL SECTION

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkottz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Elmwood Park School District
County of Bergen, New Jersey
Elmwood Park, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Elmwood Park School District, in the County of Bergen, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Borough of Elmwood Park School District Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

The previously-issued financial statements containing the Auditor's Report dated November 22, 2011 have been restated. The previously-issued Auditor's Report dated November 22, 2011 is not to be relied on because the previously-issued financial statements were materially misstated. The previously-issued Auditor's Report is replaced by this Auditor's Report dated January 6, 2012. The reason for the restatement is more fully described in Note 19 to the financial statements.



Honorable President and
Members of the Board of Education
Page 2.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of the Borough of Elmwood Park Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2011 on our consideration of the Borough of Elmwood Park 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. This report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 12 through 18 and 49 through 56 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Elmwood Park Board of Education's basic financial statements. The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Honorable President and
Members of the Board of Education
Page 3.

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



Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

January 6, 2012

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED**

As management of the Elmwood Park Board of Education (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of Elmwood Park Board of Education for the fiscal year ended June 30, 2011.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net assets decreased \$451,559.09. Net assets of governmental activities decreased \$501,165.25 while net assets of business-type activity increased by \$49,606.16.
- General revenues accounted for \$34,027,215.03 in revenue or 92.84 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,624,536.01 or 7.16 percent of total revenues of \$36,651,751.04.
- The School District had \$35,940,271.09 in expenses related to governmental activities; only \$1,412,091.76 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$34,027,014.08 were not adequate to provide for these programs.

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Elmwood Park Board of Education's basic financial statements. The Elmwood Park Board of Education's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net assets were \$13,817,136.69 at June 30, 2011 and \$14,268,695.78 at June 30, 2010. Restricted net assets are reported separately to show legal constraints that limit the School District's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets for 2011 compared to 2010 (Table 1) and change in net assets (Table 2) of the School District.

Table 1

**Net Assets
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and Other Assets	1,159,876.46	1,645,504.34	503,207.02	204,288.39	1,663,083.48	1,849,792.73
Capital Assets	<u>42,670,359.46</u>	<u>43,878,530.36</u>	<u>173,824.82</u>	<u>213,980.53</u>	<u>42,844,184.28</u>	<u>44,092,510.89</u>
Total Assets	<u>43,830,235.92</u>	<u>45,524,034.70</u>	<u>677,031.84</u>	<u>418,268.92</u>	<u>44,507,267.76</u>	<u>45,942,303.62</u>
Current Liabilities	2,353,630.06	2,334,394.98	299,883.56	90,509.93	2,653,513.62	2,424,904.91
Noncurrent Liabilities	<u>28,036,617.45</u>	<u>29,248,486.06</u>	_____	_____	<u>28,036,617.45</u>	<u>29,248,486.06</u>
Total Liabilities	<u>30,390,247.51</u>	<u>31,582,881.04</u>	<u>299,883.56</u>	<u>90,509.93</u>	<u>30,690,131.07</u>	<u>31,673,390.97</u>
Net Assets						
Invested in Capital Assets-						
Net of Debt	15,110,079.69	15,496,530.36	173,824.82	213,980.53	15,283,904.51	15,710,510.89
Restricted	451.14	1,215.14			451.14	1,215.14
Unrestricted	<u>(1,670,542.42)</u>	<u>(1,556,591.84)</u>	<u>203,323.46</u>	<u>113,778.46</u>	<u>(1,467,218.96)</u>	<u>(1,442,813.38)</u>
Total Net Assets	<u>13,439,988.41</u>	<u>13,941,153.66</u>	<u>377,148.28</u>	<u>327,758.99</u>	<u>13,817,136.69</u>	<u>14,268,912.65</u>

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Functions/Program Expenses						
Instruction:						
Regular	10,180,397.38	10,605,629.76			10,180,397.38	10,605,629.76
Special	2,579,766.13	2,446,905.57			2,579,766.13	2,446,905.57
Other Special Instruction	282,831.44	232,328.65			282,831.44	232,328.65
Other Instruction	685,763.59	631,531.90			685,763.59	631,531.90
Community Services:		307.79				307.79
Support Services:						
Tuition	4,470,521.56	4,261,058.02			4,470,521.56	4,261,058.02
Student & Instruction Related Services	4,536,179.64	4,515,441.60			4,536,179.64	4,515,441.60
School Administrative Services	2,163,534.92	1,762,373.17			2,163,534.92	1,762,373.17
General Administrative Services	944,202.39	929,528.28			944,202.39	929,528.28
Central Services and Admin. Info. Tech.	880,578.98	782,050.45			880,578.98	782,050.45
Plant Operations and Maintenance	3,152,086.79	3,333,373.94			3,152,086.79	3,333,373.94
Pupil Transportation	1,945,610.89	2,385,960.68			1,945,610.89	2,385,960.68
Unallocated Benefits	1,526,137.21	1,672,359.52			1,526,137.21	1,672,359.52
Capital Outlay-						
Non-depreciable	138,430.00	368,626.68			138,430.00	368,626.68
Charter Schools	94,588.40	13,057.10			94,588.40	13,057.10
Unallocated depreciation	1,181,370.77	1,172,744.57			1,181,370.77	1,172,744.57
Interest on Long-Term Debt	1,178,271.00	1,215,135.50			1,178,271.00	1,215,135.50
Food Service			1,122,263.80	1,082,786.72	1,122,263.80	1,082,786.72
Before/After Care Program			40,775.24		40,775.24	
Total Expenses and Transfers	<u>35,940,271.09</u>	<u>36,328,413.18</u>	<u>1,163,039.04</u>	<u>1,082,786.72</u>	<u>37,103,310.13</u>	<u>37,411,199.90</u>
Increase or (Decrease) in Net Assets	<u>(501,165.25)</u>	<u>(533,062.52)</u>	<u>49,606.16</u>	<u>(216.87)</u>	<u>(451,559.09)</u>	<u>(533,279.39)</u>

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$37,103,310.13. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$29,573,843.00 because some of the cost was paid by those who benefitted from the programs \$741,813.67, by other governments and organizations who subsidized certain programs with grants and contributions \$1,882,722.34, and by miscellaneous sources \$4,453,372.03.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law. The most significant budgeted funds are the general fund, the special revenue fund and the debt service fund. The capital projects fund is funded by the bond proceeds and state aid. Therefore no budget is presented.

During the fiscal year ended June 30, 2011, the School District made supplemental budget appropriations of \$632,193.00 for increased tuition, health benefits and salaries.

During the fiscal year ended June 30, 2011, the School District amended the special revenue fund by \$384,028.57 for increases in local, federal and state grants.

General Fund

The general fund actual revenue was \$31,761,327.08. That amount is \$1,787,975.08 above the final amended budget of \$29,973,352.00. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$1,690,155.70 for TPAF pension and social security reimbursements and \$97,819.38 for excesses in other anticipated revenues.

The actual expenditures of the general fund were \$32,453,606.04 including transfers which is \$2,480,254.04 above the final amended budget of \$29,973,352.00. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$1,690,155.70 for TPAF pension and social security reimbursements, and \$790,098.34 of overexpended budgeted funds.

General fund had total revenues and other financing sources of \$31,761,327.08 and total expenditures of \$32,453,606.04 with an ending fund balance of \$(683,551.74) on the budgetary basis of accounting.

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS, (continued)

Special Revenue Fund

The special revenue fund actual revenue was \$1,412,091.76. That amount is \$409,319.81 below the final amended budget of \$1,821,411.57. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$1,412,091.76, which is \$409,319.81 below the final amended budget of \$1,821,411.57. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs. Expenditures will be incurred in the next fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2011 the School District had \$51,336,839.60 invested in sites, buildings and equipment. Of this amount \$8,504,445.32 in depreciation has been taken over the years. We currently have a net book value of \$42,832,394.28. Table 3 shows fiscal year 2011 balances compared to 2010.

**Table 3
Capital Assets at June 30,
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	11,790.00	11,790.00			11,790.00	11,790.00
Buildings and Improvements	42,433,125.26	43,579,966.48			42,433,125.26	43,579,966.48
Furniture, Equipment and Vehicles	<u>225,444.20</u>	<u>286,773.88</u>	<u>173,824.82</u>	<u>193,634.51</u>	<u>399,269.02</u>	<u>480,408.39</u>
	<u>42,670,359.46</u>	<u>43,878,530.36</u>	<u>173,824.82</u>	<u>193,634.51</u>	<u>42,844,184.28</u>	<u>44,072,164.87</u>

For more detailed information, please refer to the Notes to Basic Financial Statements.

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

CAPITAL ASSETS AND DEBT ADMINISTRATION, (continued)

Debt Administration

At June 30, 2011, the District had \$28,036,617.45 of outstanding long-term debt. Of this amount, \$476,337.68 is for compensated absences; \$78,279.77 is for various capital leases; and \$27,482,000.00 of serial bonds for school construction.

**Table 4
Outstanding Serial Bonds at June 30,**

	<u>2011</u>	<u>2010</u>
2004 School Improvement Bonds	<u>\$27,482,000.00</u>	<u>\$28,382,000.00</u>
Total	<u>\$27,482,000.00</u>	<u>\$28,382,000.00</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The economy in the State of New Jersey is slowly improving. The legislature and governor have approved a State Aid funding bill for the 2011-2012 school year that is higher than the level of the 2010-2011 school year.

The 2011-2012 school budget was passed by the voters in April of 2011. Although the Elmwood Park School District has a history of budget defeats and resultant budget reductions, the following factors were considered in preparing the 2011-2012 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

**ELMWOOD PARK BOARD OF EDUCATION
ELMWOOD PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (continued)**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Elmwood Park Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

William Moffitt
School Business Administrator
Elmwood Park Board of Education
60 East 53rd Street
Elmwood Park, New Jersey 07407

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents		324,860.45	324,860.45
Receivables, net	1,159,875.46	168,739.05	1,328,614.51
Inventory		9,607.52	9,607.52
Restricted Assets:			
Capital Reserve Account - Cash	1.00		1.00
Capital Assets:			
Land and Construction in Progress	11,790.00		11,790.00
Other Capital Assets, net	42,658,569.46	173,824.82	42,832,394.28
Total Assets	<u>43,830,235.92</u>	<u>677,031.84</u>	<u>44,507,267.76</u>
LIABILITIES			
Cash Deficit	565,309.81		565,309.81
Accounts Payable and Accrued Liabilities	1,275,707.19	186,842.39	1,462,549.58
Interfunds Payable	422,660.75	23,291.17	445,951.92
Payable to Federal Government	1,333.10		1,333.10
Payable to State Government	45,797.69		45,797.69
Payable to Other Governments	25,659.00		25,659.00
Deferred Revenue	17,162.52	89,750.00	106,912.52
Noncurrent Liabilities:			
Due within one year	1,018,644.34		1,018,644.34
Due beyond one year	27,017,973.11		27,017,973.11
Total Liabilities	<u>30,390,247.51</u>	<u>299,883.56</u>	<u>30,690,131.07</u>
NET ASSETS			
Invested in Capital Assets, net of Related Debt	15,110,079.69	173,824.82	15,283,904.51
Restricted for:			
Debt Service	450.14		450.14
Capital Projects	1.00		1.00
Unrestricted (Deficit)	(1,670,542.42)	203,323.46	(1,467,218.96)
Total Net Assets	<u>13,439,988.41</u>	<u>377,148.28</u>	<u>13,817,136.69</u>

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	8,208,343.08	1,972,054.31		900,432.88	(9,279,964.51)		(9,279,964.51)
Special Education	2,005,274.45	574,491.68			(2,579,766.13)		(2,579,766.13)
Other Special Instruction	219,475.16	63,356.28			(282,831.44)		(282,831.44)
Other Instruction	564,178.76	121,584.83			(685,763.59)		(685,763.59)
Support services:							
Tuition	4,470,521.56	-			(4,470,521.56)		(4,470,521.56)
Student & Instruction Related Services	3,780,523.97	755,655.67		511,658.88	(4,024,520.76)		(4,024,520.76)
School Administrative Services	1,678,728.17	484,806.75			(2,163,534.92)		(2,163,534.92)
General Administrative Services	852,507.22	91,695.17			(944,202.39)		(944,202.39)
Central Services & Admin. Info. Technology	720,637.69	159,941.29			(880,578.98)		(880,578.98)
Plant Operations and Maintenance	2,718,767.45	433,319.34			(3,152,086.79)		(3,152,086.79)
Pupil Transportation	1,484,400.26	461,210.63			(1,945,610.89)		(1,945,610.89)
Unallocated Benefits	1,526,137.21	-			(1,526,137.21)		(1,526,137.21)
Capital Outlay - Non-depreciable	138,430.00	-			(138,430.00)		(138,430.00)
Charter Schools	94,588.40	-			(94,588.40)		(94,588.40)
Interest on Long-term Debt	1,178,271.00	-			(1,178,271.00)		(1,178,271.00)
Unallocated Depreciation	1,181,370.77	-			(1,181,370.77)		(1,181,370.77)
Total Governmental Activities	30,822,155.15	5,118,115.94		1,412,091.76	(34,528,179.35)		(34,528,179.35)
Business-type Activities:							
Food Service	1,122,263.80		675,099.64	470,630.58		23,466.42	23,466.42
Community Services - Before/After Care	40,775.24		66,714.03			25,938.79	25,938.79
Total Business-type Activities	1,163,039.04		741,813.67	470,630.58		49,405.21	49,405.21
Total Primary Government	31,985,194.19		741,813.67	1,882,722.34	(34,528,179.35)	49,405.21	(34,478,774.12)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					27,480,103.00		27,480,103.00
Taxes Levied for Debt Service					2,093,740.00		2,093,740.00
Federal and State Aid not Restricted					4,254,541.56		4,254,541.56
E-Rate					34,269.37		34,269.37
Investment Earnings					4,675.53	200.95	4,876.48
Miscellaneous Income					160,448.62		160,448.62
Cancellation of Accounts Receivable/Payable					(764.00)		(764.00)
Total General Revenues, Special Items, Extraordinary Items and Transfers					34,027,014.08	200.95	34,027,215.03
Change in Net Assets					(501,165.25)	49,606.16	(451,559.09)
Net Assets—Beginning					13,941,153.66	327,542.12	14,268,695.78
Net Assets—Ending					13,439,988.41	377,148.28	13,817,136.69

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

FUND FINANCIAL STATEMENTS

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents			450.14	450.14
Interfund Receivables	136,455.21			136,455.21
Receivables from Other Governments	718,199.62	366,941.58		1,085,141.20
Other Receivables	37,481.70			37,481.70
Restricted Cash and Cash Equivalents	1.00			1.00
Total Assets	<u>892,137.53</u>	<u>366,941.58</u>	<u>450.14</u>	<u>1,259,529.25</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash Deficit	565,759.95			565,759.95
Accounts Payable	582,604.57	203,445.62		786,050.19
Interfund Payables	422,660.75	99,202.65		521,863.40
Payable to Other Governments	25,659.00			25,659.00
Payable to Federal Government		1,333.10		1,333.10
Payable to State Government		45,797.69		45,797.69
Deferred Revenue		17,162.52		17,162.52
Total Liabilities	<u>1,596,684.27</u>	<u>366,941.58</u>		<u>1,963,625.85</u>
Fund Balances:				
Restricted for:				
Capital Reserve Account	1.00			1.00
Debt Service			450.14	450.14
Unassigned:				
General Fund	(704,547.74)			(704,547.74)
Total Fund Balances	<u>(704,546.74)</u>		<u>450.14</u>	<u>(704,096.60)</u>
Total Liabilities and Fund Balances	<u>892,137.53</u>	<u>366,941.58</u>	<u>450.14</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 \$51,036,637.47 and the accumulated depreciation is \$8,366,278.01.	42,670,359.46
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(489,657.00)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(28,036,617.45)
Net assets of governmental activities	<u>13,439,988.41</u>

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	27,480,103.00			2,093,740.00	29,573,843.00
E Rate	34,269.37				34,269.37
Interest Earned on Investments	4,675.53				4,675.53
Miscellaneous	160,448.62	1,818.47			162,267.09
Total - Local Sources	27,679,496.52	1,818.47		2,093,740.00	29,775,054.99
State Sources	4,137,925.70	263,122.71			4,401,048.41
Federal Sources	116,615.86	1,147,150.58			1,263,766.44
Total Revenues	31,934,038.08	1,412,091.76		2,093,740.00	35,439,869.84
EXPENDITURES					
Current:					
Regular Instruction	7,437,173.03	900,432.88			8,337,605.91
Special Education Instruction	2,005,274.45				2,005,274.45
Other Special Instruction	219,475.16				219,475.16
Other Instruction	564,178.76				564,178.76
Support Services and Undistributed Costs:					
Tuition	4,470,521.56				4,470,521.56
Student & Instruction Related Services	3,268,865.09	511,658.88			3,780,523.97
School Administrative Services	1,678,728.17				1,678,728.17
General Administrative Services	852,507.22				852,507.22
Central Services & Admin. Info. Technology	720,637.69				720,637.69
Plant Operations and Maintenance	2,737,354.74				2,737,354.74
Pupil Transportation	1,484,400.26				1,484,400.26
Unallocated Benefits	6,781,471.51				6,781,471.51
Capital Outlay	138,430.00				138,430.00
Transfer to Charter School	94,588.40				94,588.40
Debt Service:					
Principal				900,000.00	900,000.00
Interest and Other Charges				1,193,740.00	1,193,740.00
Total Expenditures	32,453,606.04	1,412,091.76		2,093,740.00	35,959,437.80
Excess (Deficiency) of Revenues Over Expenditures	(519,567.96)				(519,567.96)
OTHER FINANCING SOURCES (USES)					
Canceled Accounts Receivable			(10,240.00)		(10,240.00)
Canceled Accounts Payable			9,476.00		9,476.00
Transfers in				447.64	447.64
Transfers out			(447.64)		(447.64)
Total other financing sources and (uses)			(1,211.64)	447.64	(764.00)
Net Change in Fund Balances	(519,567.96)		(1,211.64)	447.64	(520,331.96)
Fund Balance—July 1	(184,978.78)		1,211.64	2.50	(183,764.64)
Fund Balance (Deficit)—June 30	(704,546.74)			450.14	(704,096.60)

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2011

Total net change in fund balances - governmental funds (from B-2) (520,331.96)

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	(1,208,170.90)		
	Depreciable Capital Outlays	<u> -</u>		(1,208,170.90)

Repayment of long-term debt is reported as 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.

In the current year, these amounts consist of:

Principal Payments on Capital Leases	147,850.12
Bond Principal	900,000.00

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest net adjustment in the reconciliation.

15,469.00

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(Increase)/Decrease in Compensated Absences Payable	164,018.49
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Change in net assets of governmental activities	<u><u>(501,165.25)</u></u>
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The accompanying Notes to Basic Financial Statements are an integral part of this statement.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-Type Activities - Enterprise Fund			Total Enterprise Fund
	Food Service Program	Before Care/ After Care Program	Summer Camp	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	185,869.89	49,229.96	89,760.60	324,860.45
Accounts Receivable:				
State	1,579.99			1,579.99
Federal	35,562.06			35,562.06
Other	21,597.00			21,597.00
Interfunds Receivable	110,000.00			110,000.00
Inventories	9,607.52			9,607.52
Total Current Assets	<u>364,216.46</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>503,207.02</u>
Noncurrent Assets:				
Capital Assets:				
Equipment	311,992.13			311,992.13
Less Accumulated Depreciation	<u>(138,167.31)</u>			<u>(138,167.31)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>173,824.82</u>			<u>173,824.82</u>
Total Assets	<u>538,041.28</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>677,031.84</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	186,842.39			186,842.39
Deferred Revenue			89,750.00	89,750.00
Interfunds Payable		23,291.17		23,291.17
Total Current Liabilities	<u>186,842.39</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>299,883.56</u>
Total Liabilities	<u>186,842.39</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>299,883.56</u>
NET ASSETS				
Invested in Capital Assets Net of Related Debt	173,824.82			173,824.82
Unrestricted	177,374.07	25,938.79	10.60	203,323.46
Total Net Assets	<u>351,198.89</u>	<u>25,938.79</u>	<u>10.60</u>	<u>377,148.28</u>

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities -			Total
	Enterprise Fund			
	Food Service	Before Care/ After Care	Summer	Enterprise
	Program	Program	Camp	Fund
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	432,555.76			432,555.76
Daily Sales - Non-Reimbursable Programs	240,499.65			240,499.65
Special Functions	2,044.23			2,044.23
Miscellaneous Program Fees		66,714.03		66,714.03
Total Operating Revenues	675,099.64	66,714.03		741,813.67
Operating Expenses:				
Cost of Sales	488,340.92			488,340.92
Salaries	272,416.97	40,613.24		313,030.21
Supplies and Materials	73,713.13	162.00		73,875.13
Employee Benefits	88,485.87			88,485.87
Purchased Professional Services	61,356.35			61,356.35
Cleaning Repair & Maintenance	7,090.78			7,090.78
Purchased Services	23,473.00			23,473.00
Utilities	73,577.81			73,577.81
Miscellaneous Expense	13,999.28			13,999.28
Depreciation	19,809.69			19,809.69
Total Operating Expenses	1,122,263.80	40,775.24		1,163,039.04
Operating Income (Loss)	(447,164.16)	25,938.79		(421,225.37)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	11,775.31			11,775.31
Federal Sources:				
National School Lunch Program	365,899.42			365,899.42
National School Breakfast Program	57,393.42			57,393.42
Food Distribution Program	35,562.43			35,562.43
Interest and Investment Revenue	190.35		10.60	200.95
Total Nonoperating Revenues (Expenses)	470,820.93		10.60	470,831.53
Income (Loss) Before Contributions & Transfers	23,656.77	25,938.79	10.60	49,606.16
Transfers In (Out)				
Change in Net Assets	23,656.77	25,938.79	10.60	49,606.16
Total Net Assets—Beginning	327,542.12			327,542.12
Total Net Assets—Ending	351,198.89	25,938.79	10.60	377,148.28

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities -			Total
	Enterprise Fund			
	Food Service	Before Care/ After Care	Summer	Enterprise
	Program	Program	Camp	Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	647,208.89	66,714.03	89,750.00	803,672.92
Payment for Interfunds	(110,000.00)			(110,000.00)
Payments to Employees		(17,322.07)		(17,322.07)
Payments to Suppliers	(21,967.56)	(162.00)		(22,129.56)
Payments for Miscellaneous Expenses	(82,154.47)			(82,154.47)
Payments to Food Service Management Company	(913,044.93)			(913,044.93)
Net Cash Provided by (Used for) Operating Activities	<u>(479,958.07)</u>	<u>49,229.96</u>	<u>89,750.00</u>	<u>(340,978.11)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	11,969.20			11,969.20
Federal Sources	422,932.33			422,932.33
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>434,901.53</u>			<u>434,901.53</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	190.35		10.60	200.95
Net Cash Provided by (Used for) Investing Activities	<u>190.35</u>		<u>10.60</u>	<u>200.95</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(44,866.19)	49,229.96	89,760.60	94,124.37
Balances—Beginning of Year	230,736.08			230,736.08
Balances—End of Year	<u>185,869.89</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>324,860.45</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided				
(Used) by Operating Activities:				
Operating Income (Loss)	(447,164.16)	25,938.79		(421,225.37)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation and Net Amortization	19,809.69			19,809.69
Food Distribution Program Donated Commodities	35,562.43			35,562.43
(Increase) Decrease in Accounts Receivable, Net	(21,597.00)			(21,597.00)
(Increase) Decrease in Inventories	(3,497.63)			(3,497.63)
(Increase) Decrease in Other Current Assets	(110,000.00)			(110,000.00)
Increase (Decrease) in Accounts Payable	46,928.60			46,928.60
Increase (Decrease) in Other Current Liabilities		23,291.17	89,750.00	113,041.17
Total Adjustments	<u>(32,793.91)</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>80,247.26</u>
Net Cash Provided by (Used for) Operating Activities	<u>(479,958.07)</u>	<u>49,229.96</u>	<u>89,750.00</u>	<u>(340,978.11)</u>

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Agency Fund
ASSETS	
Cash and Cash Equivalents	351,384.96
Interfund Receivable	422,660.75
Total Assets	774,045.71
 LIABILITIES	
Payable to Student Groups	66,105.26
Interfund Payable	123,961.39
Payroll Deductions and Withholdings	583,979.06
Total Liabilities	774,045.71

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

NOTES TO THE FINANCIAL STATEMENTS

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Board of Education (“Board”) of the Borough of Elmwood Park School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Elmwood Park School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board’s duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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 Board holds the corporate powers of the organization
- the Board appoints a voting major of the organization’s board
- the Board is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Board
- there is a fiscal dependency by the organization on the Board

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the Borough of Elmwood Park School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Board also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the board’s accounting policies are described below.

A. Basis of Presentation:

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

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

A. Basis of Presentation, (continued)

District-wide Financial Statements:

The statement of net assets and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

Fund Financial Statements:

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

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

GOVERNMENTAL FUNDS, (continued)

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

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

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net assets, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable to this fund are similar to those used by businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

PROPRIETARY FUNDS, (continued)

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board 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 Board's Enterprise Fund is comprised of the Food Service Fund, Before and After Care Program and Summer Camp.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net assets and changes in net assets. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. Fiduciary Funds include Unemployment Compensation Insurance, Student Activities Fund and Payroll Agency Fund.

B. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net assets and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net assets, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus: (continued)

Fund Financial Statements, (continued)

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

C. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

D. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education made a supplemental budgetary appropriation during the fiscal year in the amount of \$632,193.00 for tuition, health benefits and salaries.

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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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.

E. 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.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Encumbrances: (continued)

Open encumbrances in the special revenue fund, for which the Board 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.

F. Cash, Cash Equivalents and Investments:

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

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

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

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

G. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

H. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

I. Short-Term Interfund Receivables/Payables:

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

J. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net assets and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

K. 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 Board 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 Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

L. Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

M. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

N. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

N. Fund Balances: (continued)

- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

O. Net Assets:

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

P. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

Q. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

R. Allocation of Indirect Expenses:

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

S. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2011, \$-0- of the District's bank balance of \$985,682.13 was exposed to custodial credit risk.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 4. RECEIVABLES

Receivables at June 30, 2011, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	\$718,199.62	\$1,579.99	\$719,779.61
Federal Aid	366,941.58	35,562.06	402,503.64
Due from Other Funds	136,455.21	110,000.00	147,252.56
Other Receivables	<u>37,481.70</u>	<u>21,597.00</u>	<u>59,078.70</u>
Gross Receivables	1,259,078.11	168,739.05	1,328,614.51
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$1,259,078.11</u>	<u>\$168,739.05</u>	<u>\$1,328,614.51</u>

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 5. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2011 consist of the following:

\$422,660.75	Due to the Payroll Agency Fiduciary Fund from the General Fund for short-term loan.
110,000.00	Due to the Food Service Fund from the Payroll Agency Fiduciary fund for short-term loan.
23,291.17	Due to the General Fund from the Before Care/After Care Fund for expenditures paid by the General Fund
13,961.39	Due to the General Fund from the Net Payroll Fiduciary Fund for interest and excess deposits.
<u>99,202.65</u>	Due to the General Fund from the Special Revenue Fund for short-term loan.
<u>\$669,115.96</u>	

Interfund transfers for the year ended June 30, 2011 consisted of the following: \$447.64 from the Capital Projects Fund to the Debt Service Fund representing unexpended balance in the Capital Projects Fund.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011 was as follows:

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/11</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$11,790.00	\$ _____	\$ _____	\$11,790.00
Total Capital Assets, Not Being Depreciated	<u>11,790.00</u>	_____	_____	<u>11,790.00</u>
Capital Assets Being Depreciated				
Buildings and Improvements	49,703,376.88			49,703,376.88
Furniture, Equipment and Vehicles	<u>1,321,470.59</u>			<u>1,321,470.59</u>
Total Capital Assets, Being Depreciated	<u>51,024,847.47</u>	_____	_____	<u>51,024,847.47</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(6,123,410.40)	(1,146,841.22)		(7,270,251.62)
Furniture, Equipment and Vehicles	<u>(1,034,696.71)</u>	<u>(61,329.68)</u>		<u>(1,096,026.39)</u>
Total Accumulated Depreciation	(7,158,107.11)	(1,208,170.90)		(8,366,278.01)
Total Capital Assets, Being Depreciated, Net	<u>43,866,740.36</u>	<u>(1,208,170.90)</u>		<u>42,658,569.46</u>
Governmental Activities Capital Assets, Net	<u>\$43,878,530.36</u>	<u>(\$1,208,170.90)</u>	<u>\$ _____</u>	<u>\$42,670,359.46</u>

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 6. CAPITAL ASSETS, (continued)

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/11</u>
Business-Type Activity				
Furniture and Equipment	\$311,992.13	\$	\$	\$311,992.13
Less Accumulated Depreciation				
Furniture and Equipment	<u>(118,357.62)</u>	<u>(19,809.69)</u>	_____	<u>(138,167.31)</u>
Business-Type Activity Capital Assets, Net	<u>\$193,634.51</u>	<u>(\$19,809.69)</u>	<u>\$</u>	<u>\$173,824.82</u>

Depreciation expense was charged to governmental functions as follows.

General Administrative Services	\$23,439.95
Plant Operations and Maintenance	3,360.18
Unallocated Depreciation	<u>1,181,370.77</u>
	<u>\$1,208,170.90</u>

NOTE 7. LONG-TERM ACTIVITY

Changes in long-term obligations for the fiscal year ended June 30, 2011 are as follows:

	<u>Balance June 30, 2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2011</u>	<u>Amounts Due Within One Year</u>
Compensated Absences Payable	\$640,356.17	\$96,210.69	\$260,229.18	\$476,337.68	
Bonds Payable	28,382,000.00		900,000.00	27,482,000.00	\$950,000.00
Obligations Under Capital Lease	<u>226,129.89</u>		<u>147,850.12</u>	<u>78,279.77</u>	<u>68,644.34</u>
	<u>\$29,248,486.06</u>	<u>\$96,210.69</u>	<u>\$1,308,079.30</u>	<u>\$28,036,617.45</u>	<u>\$1,018,644.34</u>

A. Bonds and Loans Payable:

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

Outstanding bonds payable at June 30, 2011, consisted of the following:

<u>Issue</u>	<u>Original Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2011</u>
School Improvement Bonds of 2004	\$31,482,000.00	10/15/2004	4.00%-4.50%	8/01/2029	<u>\$27,482,000.00</u>

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 7. LONG-TERM ACTIVITY, (continued)

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

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2012	\$2,105,583.75	\$950,000.00	\$1,155,583.75
2013	2,115,365.00	1,000,000.00	1,115,365.00
2014	2,123,083.75	1,050,000.00	1,073,083.75
2015	2,128,740.00	1,100,000.00	1,028,740.00
2016	2,132,333.75	1,150,000.00	982,333.75
2017-2021	10,692,356.25	6,550,000.00	4,142,356.25
2022-2026	10,617,456.25	8,000,000.00	2,617,456.25
2027-2030	<u>8,401,415.00</u>	<u>7,682,000.00</u>	<u>719,415.00</u>
	<u>\$40,316,333.75</u>	<u>\$27,482,000.00</u>	<u>\$12,834,333.75</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2011 the Board had no authorized but not issued bonds.

C. Capital Leases Payable:

The District is leasing computer and copying equipment under capital leases. All capital leases are for terms of three to five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2011.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$68,644.34	\$1,903.98	\$70,548.32
2013	<u>9,635.43</u>	<u>54.63</u>	<u>9,690.06</u>
Total Minimum Lease Payments	<u>\$78,279.77</u>	<u>\$1,958.61</u>	<u>\$80,238.38</u>

NOTE 8. OPERATING LEASES

The District also has commitments to lease copying equipment under operating leases which expire in June, 2015. Total operating lease payments made during the year ended June 30, 2011 were \$100,953.84. Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$100,953.84
2013	100,953.84
2014	100,953.84
2015	<u>72,303.05</u>
Total future minimum lease payments	<u>\$375,164.57</u>

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 9. PENSION PLANS

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

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

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

Contribution Requirements - The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 5.5% for TPAF of the employee's annual compensation. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and TPAF. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2011 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost equals annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 9. PENSION PLANS, (continued)

The Board's contribution to PERS, equal to the required contributions for each year, were as follows:

Year <u>Ending</u>	
6/30/11	\$315,765.00
6/30/10	233,744.00
6/30/09	185,762.00

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits were as follows:

Year <u>Ending</u>	Pension <u>Contributions</u>	Post-Retirement Medical <u>Contributions</u>	NCGI <u>Premium</u>
6/30/11	\$-0-	\$738,880.00	\$34,787.00
6/30/10	-0-	703,605.00	37,463.00
6/30/09	-0-	610,773.00	32,015.00

During the fiscal year ended June 30, 2011, the State of New Jersey contributed \$773,667.00 to the TPAF for NCGI Premium contributions and post-retirement medical benefits on behalf of the District, \$34,787.00 was for noncontributory life insurance premiums and \$738,880.00 was for post-retirement medical benefits. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$916,488.70 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the district-wide financial statements, and the combining and the fund-based statements as revenues and expenditures in accordance with GASB 24.

NOTE 10. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension 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, 2010, there were 87,288 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 Chapter 62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 10. POST-RETIREMENT BENEFITS, (continued)

The State is also responsible for the cost attributable to P.L. 1992 Chapter 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. In fiscal year 2010, the State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members.

NOTE 11. DEFERRED COMPENSATION

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

Equitable	Oppenheimer
Great American Life Insurance	Valic
Metropolitan Life Insurance	

NOTE 12. RISK MANAGEMENT

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - As of December 31, 2003, the District has elected to fund its New Jersey Unemployment Compensation Insurance under the contributory method. Under this method, the District remits all contributions to the State of New Jersey Unemployment Trust Fund. Prior to December 31, 2003, the District had elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method".

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 13. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Elmwood Park Board of Education by inclusion of \$1 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). A district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning balance, July 1, 2010	<u>\$1.00</u>
Ending balance, June 30, 2011	<u>\$1.00</u>

NOTE 14. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$(704,546.74) General Fund fund balance at June 30, 2011, \$-0- is reserved for encumbrances; \$-0- is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$-0- of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2012); \$1.00 has been reserved in the Capital Reserve Account; \$-0- has been appropriated and included as anticipated revenue for the year ending June 30, 2012; and \$(704,547.74) is unreserved and undesignated.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 is \$-0-.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 16. INVENTORY

Inventory in the Food Service Fund at June 30, 2011 consisted of the following:

Food	\$8,323.70
Supplies	<u>1,283.82</u>
	<u>\$9,607.52</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 17. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$704,546.74 in the General Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district can not recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP fund statements of \$704,546.74 is more than the last state aid payment of \$20,995.00 and, therefore, is in violation of New Jersey statute and corrective action is required.

NOTE 18. CONTINGENT LIABILITIES

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

Litigation - The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

**Borough of Elmwood Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2011**

NOTE 19. RESTATEMENT OF FINANCIAL STATEMENTS

Subsequent to the issuance of the financial statements dated November 22, 2011, it was discovered that accounts payable for the General Fund in the amount of \$281,994.86 had not been included in the financial statements for the year ended June 30, 2011. As a result, the previously issued financial statements have been reissued to reflect the additional accounts payable.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

Exhibit C-1

Page 1 of 5

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	27,480,103.00		27,480,103.00	27,480,103.00	
E Rate	45,000.00		45,000.00	34,269.37	(10,730.63)
Miscellaneous	55,000.00		55,000.00	160,448.62	105,448.62
Total - Local Sources	<u>27,580,103.00</u>		<u>27,580,103.00</u>	<u>27,679,496.52</u>	<u>99,393.52</u>
State Sources:					
Categorical Special Education Aid	845,148.00	556,199.00	1,401,347.00	1,401,347.00	
Equalization Aid	756,811.00	(556,199.00)	200,612.00	200,612.00	
Extraordinary Aid	122,500.00	529,372.00	651,872.00	651,872.00	
Nonpublic Transportation Aid				21,228.00	21,228.00
On-behalf TPAF NCGI Premium (non-budgeted)				34,787.00	34,787.00
On-behalf TPAF Post Retirement Medical (non-budgeted)				738,880.00	738,880.00
TPAF Social Security (Reimbursed - Non-Budgeted)				916,488.70	916,488.70
Total - State Sources	<u>1,724,459.00</u>	<u>529,372.00</u>	<u>2,253,831.00</u>	<u>3,965,214.70</u>	<u>1,711,383.70</u>
Federal Sources:					
Education Jobs Fund		102,821.00	102,821.00	102,821.00	
Medicaid Reimbursement	36,597.00		36,597.00	13,794.86	(22,802.14)
Total - Federal Sources	<u>36,597.00</u>	<u>102,821.00</u>	<u>139,418.00</u>	<u>116,615.86</u>	<u>(22,802.14)</u>
TOTAL REVENUES	<u>29,341,159.00</u>	<u>632,193.00</u>	<u>29,973,352.00</u>	<u>31,761,327.08</u>	<u>1,787,975.08</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	419,967.00	52,401.41	472,368.41	471,381.81	986.60
Grades 1-5 - Salaries of Teachers	2,744,901.00	(180,738.56)	2,564,162.44	2,560,211.75	3,950.69
Grades 6-8 - Salaries of Teachers	1,345,527.00	14,251.40	1,359,778.40	1,349,231.73	10,546.67
Grades 9-12 - Salaries of Teachers	2,702,238.00	(364,306.20)	2,337,931.80	2,333,249.80	4,682.00
Regular Programs - Home Instruction:					
Salaries of Teachers	45,910.00	(21,452.50)	24,457.50	24,457.50	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	122,850.00	(40,570.53)	82,279.47	83,644.38	(1,364.91)
Purchased Professional-Educational Services	12,800.00	(12,649.00)	151.00	22,055.83	(21,904.83)
Purchased Technical Services	70,324.00	(45,099.00)	25,225.00	25,225.00	
Other Purchased Services (400-500 series)	219,501.00	53,915.63	273,416.63	286,390.99	(12,974.36)
General Supplies	221,262.00	(31,356.46)	189,905.54	188,042.89	1,862.65
Textbooks	165,060.00	(71,692.82)	93,367.18	93,281.35	85.83
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>8,070,340.00</u>	<u>(647,296.63)</u>	<u>7,423,043.37</u>	<u>7,437,173.03</u>	<u>(14,129.66)</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	210,089.00	(24,160.10)	185,928.90	185,928.90	
Other Salaries for Instruction	27,300.00	(6,309.39)	20,990.61	21,644.52	(653.91)
General Supplies	434.00	(149.83)	284.17	234.52	49.65
Total Learning and/or Language Disabilities	<u>237,823.00</u>	<u>(30,619.32)</u>	<u>207,203.68</u>	<u>207,807.94</u>	<u>(604.26)</u>
Behavioral Disabilities:					
Salaries of Teachers	168,589.00	6,368.62	174,957.62	175,233.25	(275.63)
Other Salaries for Instruction	29,835.00	(8,758.00)	21,077.00	21,727.00	(650.00)
General Supplies	8,500.00	(7,443.64)	1,056.36	1,056.36	
Total Behavioral Disabilities	<u>206,924.00</u>	<u>(9,833.02)</u>	<u>197,090.98</u>	<u>198,016.61</u>	<u>(925.63)</u>
Multiple Disabilities:					
Salaries of Teachers	56,625.00	2,727.29	59,352.29	59,352.29	
Other Salaries for Instruction	10,075.00	15,443.76	25,518.76	25,518.76	
General Supplies	5,000.00	(4,043.41)	956.59	940.02	16.57
Total Multiple Disabilities	<u>71,700.00</u>	<u>14,127.64</u>	<u>85,827.64</u>	<u>85,811.07</u>	<u>16.57</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,094,167.00	(21,340.25)	1,072,826.75	1,071,201.27	1,625.48
Other Salaries for Instruction	81,900.00	8,703.37	90,603.37	94,703.18	(4,099.81)
General Supplies	2,615.00	(1,600.46)	1,014.54	936.93	77.61

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Total Resource Room/Resource Center	1,178,682.00	(14,237.34)	1,164,444.66	1,166,841.38	(2,396.72)
Autism:					
Salaries of Teachers	48,182.00	3,613.90	51,795.90	52,364.65	(568.75)
General Supplies	13,000.00	1,349.01	14,349.01	14,349.01	
Total Autism	61,182.00	4,962.91	66,144.91	66,713.66	(568.75)
Preschool Disabilities - Full-Time:					
Salaries of Teachers	250,660.00	(254.17)	250,405.83	254,702.65	(4,296.82)
Other Salaries for Instruction	13,650.00	2,093.60	15,743.60		15,743.60
General Supplies	1,250.00	(875.26)	374.74	345.84	28.90
Total Preschool Disabilities - Part-Time	265,560.00	964.17	266,524.17	255,048.49	11,475.68
Home Instruction:					
Salaries of Teachers	5,679.00	19,356.30	25,035.30	25,035.30	
Purchased Professional-Educational Services	14,917.00	(14,917.00)			
Total Home Instruction	20,596.00	4,439.30	25,035.30	25,035.30	
TOTAL SPECIAL EDUCATION - INSTRUCTION	2,042,467.00	(30,195.66)	2,012,271.34	2,005,274.45	6,996.89
Basic Skills/Remedial - Instruction					
Salaries of Teachers	97,364.00	(18,376.60)	78,987.40	78,187.40	800.00
General Supplies	2,850.00	(2,647.48)	202.52	158.43	44.09
Total Basic Skills/Remedial - Instruction	100,214.00	(21,024.08)	79,189.92	78,345.83	844.09
Bilingual Education - Instruction					
Salaries of Teachers	173,853.00	(36,908.91)	136,944.09	140,988.99	(4,044.90)
General Supplies	975.00	(796.46)	178.54	140.34	38.20
Total Bilingual Education - Instruction	174,828.00	(37,705.37)	137,122.63	141,129.33	(4,006.70)
School-Sponsored Cocurricular Activities - Instruction					
Salaries	137,651.00	(8,054.60)	129,596.40	129,246.40	350.00
Supplies and Materials	13,907.00	(4,130.53)	9,776.47	9,731.17	45.30
Total School-Sponsored Cocurricular Activities - Instruction	151,558.00	(12,185.13)	139,372.87	138,977.57	395.30
School-Sponsored Athletics - Instruction					
Salaries	376,885.00	(85,445.60)	291,439.40	291,367.40	72.00
Purchased Services (300-500 series)	65,000.00	668.53	65,668.53	71,528.80	(5,860.27)
Supplies and Materials	51,111.00	(3,286.96)	47,824.04	47,311.59	512.45
Other Objects	14,993.40	14,993.40	14,993.40	14,993.40	
Total Other Instructional Programs - Instruction	492,996.00	(73,070.63)	419,925.37	425,201.19	(5,275.82)
Community Service Programs					
Salaries		16,114.04	16,114.04		16,114.04
TOTAL INSTRUCTION	11,032,403.00	(805,363.46)	10,227,039.54	10,226,101.40	938.14
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	103,750.00	61,298.50	165,048.50	183,609.07	(18,560.57)
Tuition to County Vocational School District - Regular	733,225.00	(75,693.21)	657,531.79	716,632.29	(59,100.50)
Tuition to County Vocational School District - Special	3,346.00	(2,999.44)	346.56		346.56
Tuition to CSSD & Regional Day Schools	716,245.00	265,892.01	982,137.01	1,005,037.70	(22,900.69)
Tuition to Private Schools for the Handicapped - Within State	2,685,786.00	(216,214.97)	2,469,571.03	2,560,742.50	(91,171.47)
Tuition - State Facilities	4,500.00	4,500.00	4,500.00	4,500.00	
Total Undistributed Expenditures - Instruction:	4,242,352.00	36,782.89	4,279,134.89	4,470,521.56	(191,386.67)
Undistributed Expend. - Attend. & Social Work					
Salaries	148,511.00	(57,355.81)	91,155.19	90,874.17	281.02
Supplies and Materials	4,000.00	(3,012.99)	987.01	987.01	
Total Undistributed Expend. - Attend. & Social Work	152,511.00	(60,368.80)	92,142.20	91,861.18	281.02
Undist. Expend. - Health Services					
Salaries	282,410.00	(8,139.80)	274,270.20	274,270.20	
Purchased Professional and Technical Services	25,750.00	(5,750.00)	20,000.00	20,000.00	
Supplies and Materials	4,825.00	(628.43)	4,196.57	4,195.76	0.81
Total Undistributed Expenditures - Health Services	312,985.00	(14,518.23)	298,466.77	298,465.96	0.81
Undist. Expend. - Speech, OT, PT, & Related Services					
Salaries	243,782.00	(11,944.34)	231,837.66	231,837.66	
Purchased Professional - Educational Services	101,549.00	(58,949.54)	42,599.46	43,251.96	(652.50)
Total Undist. Expend. - Speech, OT, PT, & Related Services	345,331.00	(70,893.88)	274,437.12	275,089.62	(652.50)

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.					
Salaries	218,400.00	118,964.61	337,364.61	352,085.42	(14,720.81)
Purchased Professional - Educational Services	466,510.00	(70,143.02)	396,366.98	429,176.98	(32,810.00)
Supplies and Materials	10,000.00	(3,038.43)	6,961.57	6,961.57	
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	<u>694,910.00</u>	<u>45,783.16</u>	<u>740,693.16</u>	<u>788,223.97</u>	<u>(47,530.81)</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	428,755.00	221,350.00	650,105.00	645,861.09	4,243.91
Salaries of Secretarial and Clerical Assistants	32,182.00	804.55	32,986.55	32,986.55	
Other Purchased Services (400-500 series)	2,475.00	5,346.31	7,821.31	7,821.31	
Supplies and Materials	7,635.00	(5,787.81)	1,847.19	1,847.19	
Total Undist. Expend. - Guidance	<u>471,047.00</u>	<u>221,713.05</u>	<u>692,760.05</u>	<u>688,516.14</u>	<u>4,243.91</u>
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	607,845.00	(22,570.85)	585,274.15	585,094.09	180.06
Salaries of Secretarial and Clerical Assistants	62,989.00	(31,386.28)	31,602.72	33,712.01	(2,109.29)
Purchased Professional - Educational Services	76,500.00	(34,309.50)	42,190.50	32,749.83	9,440.67
Other Purchased Prof. and Tech. Services	73,382.00	(44,977.85)	28,404.15	43,607.94	(15,203.79)
Miscellaneous Purchased Services (400-500 series)	7,253.00	459.87	7,712.87	8,313.79	(600.92)
Supplies and Materials	9,414.00	(6,630.93)	2,783.07	2,783.07	
Total Undist. Expend. - Child Study Teams	<u>837,383.00</u>	<u>(139,415.54)</u>	<u>697,967.46</u>	<u>706,260.73</u>	<u>(8,293.27)</u>
Undist. Expend. - Improvement of Instructional Services					
Salaries of Other Professional Staff	60,000.00	22,105.14	82,105.14	82,105.14	
Salaries of Secretarial and Clerical Assistants	45,193.00		45,193.00	45,192.96	0.04
Other Purch Prof. and Tech. Services	40,000.00	(35,734.00)	4,266.00	10,849.92	(6,583.92)
Other Purch Services (400-500)	7,253.00	(127.61)	7,125.39	7,726.31	(600.92)
Supplies and Materials	6,756.00	(1,875.41)	4,880.59	4,880.59	
Other Objects	6,400.00	(6,400.00)			
Total Undist. Expend. - Improvement of Inst. Services	<u>165,602.00</u>	<u>(22,031.88)</u>	<u>143,570.12</u>	<u>150,754.92</u>	<u>(7,184.80)</u>
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	213,628.00	(18,511.41)	195,116.59	195,892.12	(775.53)
Other Purchased Services (400-500 series)	4,118.00	6,325.27	10,443.27	11,044.19	(600.92)
Supplies and Materials	24,268.00	(6,369.08)	17,898.92	17,857.42	41.50
Total Undist. Expend. - Educational Media Serv./Sch. Library	<u>242,014.00</u>	<u>(18,555.22)</u>	<u>223,458.78</u>	<u>224,793.73</u>	<u>(1,334.95)</u>
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors of Instruction	60,000.00	(15,776.16)	44,223.84	44,223.84	
Purchased Professional - Educational Service		80.00	80.00	80.00	
Supplies and Materials		627.12	627.12	595.00	32.12
Other Objects	350.00	(350.00)			
Total Undist. Expend. - Instructional Staff Training Serv.	<u>60,350.00</u>	<u>(15,419.04)</u>	<u>44,930.96</u>	<u>44,898.84</u>	<u>32.12</u>
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	290,593.00	27,161.39	317,754.39	317,212.70	541.69
Salaries of Attorneys	51,928.00	(51,928.00)			
Legal Services	57,000.00	67,865.51	124,865.51	148,017.27	(23,151.76)
Audit Fees	38,193.00	(14,528.00)	23,665.00	23,665.00	
Other Purchased Professional Services	34,086.00	(7,070.31)	27,015.69	35,499.12	(8,483.43)
Purchased Technical Services	22,056.00	(14,923.54)	7,132.46	6,994.30	138.16
Communications/Telephone	176,047.00	(46,426.21)	129,620.79	134,082.73	(4,461.94)
BOE Other Purchased Services	7,594.00	(6,994.00)	600.00	600.00	
Other Purchased Services (400-500 series)	51,089.00	74,434.32	125,523.32	128,037.19	(2,513.87)
General Supplies	16,452.00	9,550.11	26,002.11	26,122.32	(120.21)
Miscellaneous Expenditures	10,464.00	(1,960.62)	8,503.38	9,957.29	(1,453.91)
BOE Membership Dues and Fees	22,946.00	(626.70)	22,319.30	22,319.30	
Total Undist. Expend. - Supp. Serv. - General Administration	<u>778,448.00</u>	<u>34,553.95</u>	<u>813,001.95</u>	<u>852,507.22</u>	<u>(39,505.27)</u>
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	885,744.00	69,230.06	954,974.06	954,974.06	
Salaries of Other Professional Staff		129,145.89	129,145.89	133,698.34	(4,552.45)
Salaries of Secretarial and Clerical Assistants	420,645.00	87,410.89	508,055.89	507,392.14	663.75
Other Purchased Services (400-500 series)	36,299.00	(4,323.53)	31,975.47	34,919.60	(2,944.13)
Supplies and Materials	45,266.00	1,688.89	46,954.89	47,523.13	(568.24)
Other Objects	1,500.00	(1,279.10)	220.90	220.90	
Total Undist. Expend. - Support Serv. - School Administration	<u>1,389,454.00</u>	<u>281,873.10</u>	<u>1,671,327.10</u>	<u>1,678,728.17</u>	<u>(7,401.07)</u>
Undist. Expend. - Central Services					

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Salaries	387,492.00	60,351.62	447,843.62	447,663.56	180.06
Purchased Professional Services	16,983.00	2,835.45	19,818.45	19,818.45	
Purchased Technical Services	8,192.00	(6,192.00)	2,000.00	2,000.00	
Miscellaneous Purchased Services (400-500 series)	8,915.00	2,610.39	11,525.39	12,526.31	(1,000.92)
Supplies and Materials	11,685.00		11,685.00	11,593.03	91.97
Miscellaneous Expenditures	1,030.00	(1,030.00)			
Total Undist. Expend. - Central Services	434,297.00	58,575.46	492,872.46	493,601.35	(728.89)
Undist. Expend. - Admin. Information Technology					
Salaries	98,314.00	6,898.83	105,212.83	105,641.58	(428.75)
Purchased Technical Services	99,743.00	(31,643.52)	68,099.48	68,011.58	87.90
Other Purchased Services (400-500 series)	28,583.00	(364.22)	28,218.78	28,819.70	(600.92)
Supplies and Materials	25,250.00	(1,961.64)	23,288.36	23,073.48	214.88
Other Objects	600.00	890.00	1,490.00	1,490.00	
Total Undist. Expend. - Admin. Information Technology	252,490.00	(26,180.55)	226,309.45	227,036.34	(726.89)
Undist. Expend. - Required Maint. for School Facilities					
Salaries	302,043.00	11,446.71	313,489.71	316,248.99	(2,759.28)
Cleaning, Repair and Maintenance Services	218,453.00	15,130.07	233,583.07	234,041.19	(458.12)
General Supplies	241,864.00	(88,862.33)	153,001.67	188,918.89	(35,917.22)
Total Undist. Expend. - Required Maint. for School Facilities	762,360.00	(62,285.55)	700,074.45	739,209.07	(39,134.62)
Undist. Expend. - Custodial Services					
Salaries	1,123,710.00	46,778.33	1,170,488.33	1,171,163.12	(674.79)
Purchased Professional and Technical Services		12,877.50	12,877.50	11,743.45	1,134.05
Cleaning, Repair and Maintenance Services	133,290.00	(46,382.86)	86,907.14	100,863.62	(13,956.48)
Rental of Land & Bldg. Other than Lease Purchase Agreement		0.60	0.60		0.60
Other Purchased Property Services	33,690.00	(251.39)	33,438.61	34,319.70	(881.09)
Insurance	115,104.00	(5,940.00)	109,164.00	109,164.00	
Miscellaneous Purchased Services		1,425.00	1,425.00		1,425.00
General Supplies	27,243.00	(9,306.47)	17,936.53	19,382.75	(1,446.22)
Energy (Natural Gas)	453,287.00	94,384.81	547,671.81	551,509.03	(3,837.22)
Total Undist. Expend. - Custodial Services	1,886,324.00	93,585.52	1,979,909.52	1,998,145.67	(18,236.15)
Undist. Expend. - Student Transportation Services					
Salaries for Pupil Trans (Between Home and School)-Regular	21,607.00	10,051.03	31,658.03	31,077.90	580.13
Salaries for Pupil Trans (Between Home and School)-Special Ed.	21,607.00	3,831.08	25,438.08	25,438.08	
Salaries for Pupil Trans (Other than Between Home and School)	67,443.00	(15,691.81)	51,751.19	51,596.19	155.00
Cleaning, Repair and Maintenance Services	5,000.00	(754.62)	4,245.38	4,245.38	
Contracted Services (Between Home and School)-Vendors	319,259.00	(285,474.44)	33,784.56	33,784.56	
Contracted Services (Other than Bet. Home and School)-Vendors	64,866.00	(3,021.23)	61,844.77	64,207.83	(2,363.06)
Contracted Services (Regular Students)-ESCs & CTAS	114,221.00	88,197.48	202,418.48	202,216.91	201.57
Contracted Services (Special Ed. Students)-ESCs & CTAS	1,052,720.00	(80,606.12)	972,113.88	972,113.10	0.78
Contracted Services - Aid in Lieu Payments - Non Public Schools	120,000.00	(30,716.00)	89,284.00	91,936.00	(2,652.00)
Miscellaneous Purchased Services - Transportation	11,020.00	(3,894.61)	7,125.39	7,726.31	(600.92)
Other Objects		58.00	58.00	58.00	
Total Undist. Expend. - Student Transportation Services	1,797,743.00	(318,021.24)	1,479,721.76	1,484,400.26	(4,678.50)
UNALLOCATED BENEFITS					
Social Security Contributions	240,971.00	134,076.45	375,047.45	365,416.72	9,630.73
Other Retirement Contributions - Regular	130,000.00	(130,000.00)		315,765.00	(315,765.00)
Unemployment Compensation	20,600.00	(20,463.27)	136.73	60,028.48	(59,891.75)
Workmen's Compensation	175,821.00	28,462.49	204,283.49	204,283.49	
Health Benefits	2,630,980.00	1,012,035.14	3,643,015.14	3,689,553.51	(46,538.37)
Tuition Reimbursement	46,353.00	1,031.22	47,384.22	43,755.36	3,628.86
Other Employee Benefits	100,000.00	387,237.23	487,237.23	412,513.25	74,723.98
TOTAL UNALLOCATED BENEFITS	3,344,725.00	1,412,379.26	4,757,104.26	5,091,315.81	(334,211.55)
On-behalf TPAF NCGI Premium (non-budgeted)				34,787.00	(34,787.00)
On-behalf TPAF Post Retirement Medical (non-budgeted)				738,880.00	(738,880.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				916,488.70	(916,488.70)
TOTAL ON-BEHALF CONTRIBUTIONS				1,690,155.70	(1,690,155.70)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,344,725.00	1,412,379.26	4,757,104.26	6,781,471.51	(2,024,367.25)
TOTAL UNDISTRIBUTED EXPENDITURES	18,170,326.00	1,437,556.46	19,607,882.46	21,994,486.24	(2,386,603.78)

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

Exhibit C-1

Page 5 of 5

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
TOTAL GENERAL CURRENT EXPENSE	<u>29,202,729.00</u>	<u>632,193.00</u>	<u>29,834,922.00</u>	<u>32,220,587.64</u>	<u>(2,385,665.64)</u>
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services					
Other Objects	<u>138,430.00</u>	<u> </u>	<u>138,430.00</u>	<u>138,430.00</u>	<u> </u>
Total Facilities Acquisition and Construction Services	<u>138,430.00</u>	<u> </u>	<u>138,430.00</u>	<u>138,430.00</u>	<u> </u>
TOTAL CAPITAL OUTLAY	<u>138,430.00</u>	<u> </u>	<u>138,430.00</u>	<u>138,430.00</u>	<u> </u>
Transfer of Funds to Charter Schools	<u> </u>	<u> </u>	<u> </u>	<u>94,588.40</u>	<u>(94,588.40)</u>
Transfer of Funds to Charter Schools	<u> </u>	<u> </u>	<u> </u>	<u>94,588.40</u>	<u>(94,588.40)</u>
TOTAL EXPENDITURES	<u>29,341,159.00</u>	<u>632,193.00</u>	<u>29,973,352.00</u>	<u>32,453,606.04</u>	<u>(2,480,254.04)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>	<u> </u>	<u> </u>	<u>(692,278.96)</u>	<u>(692,278.96)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u> </u>	<u> </u>	<u> </u>	<u>(692,278.96)</u>	<u>(692,278.96)</u>
Fund Balance, July 1	<u>8,727.22</u>	<u> </u>	<u>8,727.22</u>	<u>8,727.22</u>	<u> </u>
Fund Balance, June 30	<u>8,727.22</u>	<u> </u>	<u>8,727.22</u>	<u>(683,551.74)</u>	<u>(692,278.96)</u>
Recapitulation of excess (deficiency) of revenues under expenditures	<u> </u>	<u> </u>	<u> </u>	<u>(692,278.96)</u>	<u>(692,278.96)</u>
Budgeted Fund Balance	<u> </u>	<u> </u>	<u> </u>	<u>(692,278.96)</u>	<u>(692,278.96)</u>
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				1.00	
Unassigned Fund Balance:					
Unrestricted Fund Balance - Undesignated				<u>(683,552.74)</u>	<u>(683,551.74)</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				<u>(20,995.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>(704,546.74)</u>	

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Education Jobs Fund - Budget and Actual

General Fund

For the Year Ended June 30, 2011

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources:					
Education Jobs Fund		102,821.00	102,821.00	102,821.00	
Total - Federal Sources		102,821.00	102,821.00	102,821.00	
TOTAL REVENUES		102,821.00	102,821.00	102,821.00	
EXPENDITURES:					
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff		96,275.44	96,275.44	96,275.44	
Unallocated Benefits - Employee Benefits					
Other Employee Benefits		6,545.56	6,545.56	6,545.56	
TOTAL UNDISTRIBUTED EXPENDITURES		102,821.00	102,821.00	102,821.00	

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		9,090.17	9,090.17	1,818.47	(7,271.70)
State Sources	325,421.00	(16,737.00)	308,684.00	263,122.71	(45,561.29)
Federal Sources	1,111,962.00	391,675.40	1,503,637.40	1,147,150.58	(356,486.82)
Total Revenues	1,437,383.00	384,028.57	1,821,411.57	1,412,091.76	(409,319.81)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	468,814.00	(103,548.00)	365,266.00	365,079.98	186.02
Purchased Professional - Educational Services		23,073.30	23,073.30	4,430.00	18,643.30
Other Purchased Services (400-500 series)	573,148.00	(55,844.50)	517,303.50	516,891.00	412.50
General Supplies		15,003.17	15,003.17	2,354.78	12,648.39
Textbooks	17,056.00	(2,903.00)	14,153.00	11,677.12	2,475.88
Total Instruction	1,059,018.00	(124,219.03)	934,798.97	900,432.88	34,366.09
Support Services:					
Personal Services - Employee Benefits	70,000.00	9,912.00	79,912.00	53,447.71	26,464.29
Purchased Professional & Technical Services		131,476.00	131,476.00	126,183.82	5,292.18
Purchased Professional - Educational Services	308,365.00	56,573.10	364,938.10	305,162.98	59,775.12
Other Purchased Services (400-500 series)		8,800.00	8,800.00	8,800.00	
Supplies & Materials		54,727.49	54,727.49	18,064.37	36,663.12
Total Support Services	378,365.00	261,488.59	639,853.59	511,658.88	128,194.71
Facilities Acquisition and Const. Serv.:					
Buildings		246,759.01	246,759.01		246,759.01
Total Facilities Acquisition and Const. Serv.		246,759.01	246,759.01		246,759.01
Total Expenditures	1,437,383.00	384,028.57	1,821,411.57	1,412,091.76	409,319.81
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the Year Ended June 30, 2011

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	31,761,327.08	1,412,091.76
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
The last State aid payment is recognized as revenue for budgetary purposes in the General Fund, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).			
		(20,995.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.			
		193,706.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.			
	[B-2]	31,934,038.08	1,412,091.76
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	32,453,606.04	1,412,091.76
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
		N/A	N/A
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds			
	[B-2]	32,453,606.04	1,412,091.76

SPECIAL REVENUE FUND

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1a)	Title I Part - A Improving Basic Programs	Title II Part - A Teacher/Principal Training & Recruiting	Title II Part - D Enhancing Technology Thru Educ.	Title III English Language Acquisition and Enhancement	Totals 2011
REVENUES						
Local Sources	1,818.47					1,818.47
State Sources	263,122.71					263,122.71
Federal Sources	626,853.99	402,390.07	100,333.58	677.50	16,895.44	1,147,150.58
Total Revenues	891,795.17	402,390.07	100,333.58	677.50	16,895.44	1,412,091.76
EXPENDITURES:						
Instruction:						
Salaries of Teachers	3,752.50	343,327.00	7,482.98	677.50	14,270.00	365,079.98
Purchased Professional - Educational Services	516,891.00					4,430.00
Other Purchased Services (400-500 series)	1,818.47					516,891.00
General Supplies	11,677.12				536.31	2,354.78
Textbooks						11,677.12
Total Instruction	534,139.09	343,327.00	7,482.98	677.50	14,806.31	900,432.88
Support Services:						
Personal Services - Employee Benefits	82,467.00	50,263.07	1,095.51		2,089.13	53,447.71
Purchased Professional & Technical Services	264,924.59		43,716.82			126,183.82
Purchased Professional - Educational Services	10,264.49	8,800.00	40,238.39			305,162.98
Other Purchased Services (400-500 series)			7,799.88			8,800.00
Supplies & Materials						18,064.37
Total Support Services	357,656.08	59,063.07	92,850.60		2,089.13	511,658.88
Total Expenditures	891,795.17	402,390.07	100,333.58	677.50	16,895.44	1,412,091.76
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)						

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1d)	Ch. 193 - Handicapped Services				Total Carried Forward
		Nonpublic Textbook Aid	Nonpublic Nursing Aid	Nonpublic Exam & Classification	Nonpublic Corrective Speech	
REVENUES						
Local Sources	1,818.47					1,818.47
State Sources	150,709.43	11,677.12	15,744.60	25,194.82	40,133.05	263,122.71
Federal Sources						
Total Revenues	152,527.90	11,677.12	15,744.60	25,194.82	40,133.05	264,941.18
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Purchased Professional - Educational Services						
Other Purchased Services (400-500 series)						
General Supplies	1,818.47	11,677.12				1,818.47
Textbooks						11,677.12
Total Instruction	1,818.47	11,677.12				13,495.59
Support Services:						
Personal Services - Employee Benefits						
Purchased Professional & Technical Services						
Purchased Professional - Educational Services	150,709.43		15,744.60	25,194.82	40,133.05	251,445.59
Other Purchased Services (400-500 series)						
Supplies & Materials						
Total Support Services	150,709.43		15,744.60	25,194.82	40,133.05	251,445.59
Total Expenditures	152,527.90	11,677.12	15,744.60	25,194.82	40,133.05	264,941.18
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)						

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Special Revenue Fund

**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011**

	Ch. 192 - Auxiliary Services				Total
	Nonpublic Compensatory Education	English as a Second Language	Transportation	BCUA Grant	Carried Forward
REVENUES					
Local Sources				1,818.47	1,818.47
State Sources	123,162.43	14,088.00	13,459.00		150,709.43
Federal Sources					
Total Revenues	<u>123,162.43</u>	<u>14,088.00</u>	<u>13,459.00</u>	<u>1,818.47</u>	<u>152,527.90</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)					
General Supplies				1,818.47	1,818.47
Textbooks					
Total instruction				<u>1,818.47</u>	<u>1,818.47</u>
Support services:					
Personal Services - Employee Benefits					
Purchased Professional & Technical Services					
Purchased Professional - Educational Services	123,162.43	14,088.00	13,459.00		150,709.43
Other Purchased Services (400-500 series)					
Supplies & Materials					
Total support services	<u>123,162.43</u>	<u>14,088.00</u>	<u>13,459.00</u>		<u>150,709.43</u>
Total Expenditures	<u>123,162.43</u>	<u>14,088.00</u>	<u>13,459.00</u>	<u>1,818.47</u>	<u>152,527.90</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					

CAPITAL PROJECTS FUND

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2011

Revenues and Other Financing Sources	
Canceled Accounts Payable	9,476.00
Total Revenues	<u>9,476.00</u>
Expenditures and Other Financing Uses	
Canceled Accounts Receivable	10,240.00
Total Expenditures	<u>10,240.00</u>
Excess (deficiency) or Revenues over (under) Expenditures	(764.00)
Other Financing Sources/(Uses):	
Operating Transfer Out:	
Transferred to Debt Service Fund	(447.64)
Total Other Financing Sources/(Uses):	<u>(447.64)</u>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Sources (Uses)	(1,211.64)
Fund Balance - Beginning	<u>1,211.64</u>
Fund Balance - Ending	<u><u> </u></u>

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Memorial Middle/High School - Additions and Renovations
For the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	8,036,796.00		8,036,796.00	8,036,796.00
Bond Proceeds and transfers	16,828,422.00		16,828,422.00	16,828,422.00
Capital Outlay Transfer to Capital Projects Fund	380,000.00		380,000.00	380,000.00
Capital Reserve Transfer to Capital Projects Fund	149,443.00		149,443.00	149,443.00
Interest Earned on Investments	1,410.50		1,410.50	1,410.50
Canceled Accounts Payable		9,476.00	9,476.00	
Total Revenues	<u>25,396,071.50</u>	<u>9,476.00</u>	<u>25,405,547.50</u>	<u>25,396,071.50</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	2,279,762.86		2,279,762.86	2,280,974.50
Land and Improvements				
Construction Services	22,760,276.96		22,760,276.96	22,760,276.96
Equipment Purchases				
Other Objects	354,820.04		354,820.04	354,820.04
Canceled Accounts Receivable		10,240.00	10,240.00	
Transfer to Debt Service Fund		447.64	447.64	
Total Expenditures	<u>25,394,859.86</u>	<u>10,687.64</u>	<u>25,405,547.50</u>	<u>25,396,071.50</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>1,211.64</u>	<u>(1,211.64)</u>		
Additional Project Information:				
Project Number	1345-050-03-1020			
Grant Date	9/2/2004			
Bond Authorization Date	12/9/2003			
Bonds Authorized	16,828,583.00			
Bonds Issued	16,828,422.00			
Original Authorized Cost	24,865,459.00			
Additional Authorized Cost	529,400.86			
Revised Authorized Cost	25,394,859.86			
Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	6/1/2007			
Revised target completion date				

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
For the Year Ended June 30, 2011

Project Title/Issue	Original Date or Project Number	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2011
			Prior Years	Current Year	
Additions and Renovations to Memorial Middle/ High School	December 9, 2003 SP# 1345-050-03-1020	25,394,859.86	25,394,859.86		
		<u>25,394,859.86</u>	<u>25,394,859.86</u>		
				Analysis	
				Project Balance - June 30, 2011	
				Unfunded Authorizations	
				Fund Balance/(Deficit) - June 30, 2011	

PROPRIETARY FUNDS

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Combining Statement of Net Assets
Enterprise Funds
June 30, 2011

	<u>Food Service Program</u>	<u>Before Care/ After Care Program</u>	<u>Summer Camp</u>	<u>Totals</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	185,869.89	49,229.96	89,760.60	324,860.45
Accounts Receivable:				
State	1,579.99			1,579.99
Federal	35,562.06			35,562.06
Other	21,597.00			21,597.00
Interfunds Receivable	110,000.00			110,000.00
Inventories	9,607.52			9,607.52
Total Current Assets	<u>364,216.46</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>503,207.02</u>
Noncurrent Assets:				
Capital Assets:				
Equipment	311,992.13			311,992.13
Less Accumulated Depreciation	<u>(138,167.31)</u>			<u>(138,167.31)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>173,824.82</u>			<u>173,824.82</u>
Total Assets	<u>538,041.28</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>677,031.84</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	186,842.39			186,842.39
Deferred Revenue			89,750.00	89,750.00
Interfunds Payable		23,291.17		23,291.17
Total Current Liabilities	<u>186,842.39</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>299,883.56</u>
Total Liabilities	<u>186,842.39</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>299,883.56</u>
NET ASSETS				
Invested in Capital Assets Net of Related Debt	173,824.82			173,824.82
Unrestricted	177,374.07	25,938.79	10.60	203,323.46
Total Net Assets	<u>351,198.89</u>	<u>25,938.79</u>	<u>10.60</u>	<u>377,148.28</u>

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended June 30, 2011

	<u>Food Service Program</u>	<u>Before Care/ After Care Program</u>	<u>Summer Camp</u>	<u>Totals</u>
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	432,555.76			432,555.76
Daily Sales - Non-Reimbursable Programs	240,499.65			240,499.65
Special Functions	2,044.23			2,044.23
Miscellaneous Program Fees		66,714.03		66,714.03
Total Operating Revenues	<u>675,099.64</u>	<u>66,714.03</u>		<u>741,813.67</u>
Operating Expenses:				
Cost of Sales	488,340.92			488,340.92
Salaries	272,416.97	40,613.24		313,030.21
Supplies and Materials	73,713.13	162.00		73,875.13
Employee Benefits	88,485.87			88,485.87
Purchased Professional Services	61,356.35			61,356.35
Cleaning Repair & Maintenance	7,090.78			7,090.78
Purchased Services	23,473.00			23,473.00
Utilities	73,577.81			73,577.81
Miscellaneous Expense	13,999.28			13,999.28
Depreciation	19,809.69			19,809.69
Total Operating Expenses	<u>1,122,263.80</u>	<u>40,775.24</u>		<u>1,163,039.04</u>
Operating Income (Loss)	<u>(447,164.16)</u>	<u>25,938.79</u>		<u>(421,225.37)</u>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	11,775.31			11,775.31
Federal Sources:				
National School Lunch Program	365,899.42			365,899.42
National School Breakfast Program	57,393.42			57,393.42
Food Distribution Program	35,562.43			35,562.43
Interest and Investment Revenue	190.35		10.60	200.95
Total Nonoperating Revenues (Expenses)	<u>470,820.93</u>		<u>10.60</u>	<u>470,831.53</u>
Income (Loss) Before Contributions & Transfers	<u>23,656.77</u>	<u>25,938.79</u>	<u>10.60</u>	<u>49,606.16</u>
Transfers In (Out)				
Change in Net Assets	23,656.77	25,938.79	10.60	49,606.16
Total Net Assets—Beginning	<u>327,542.12</u>			<u>327,542.12</u>
Total Net Assets—Ending	<u>351,198.89</u>	<u>25,938.79</u>	<u>10.60</u>	<u>377,148.28</u>

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2011

	<u>Food Service Program</u>	<u>Before Care/ After Care Program</u>	<u>Summer Camp</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	647,208.89	66,714.03	89,750.00	803,672.92
Payments for Interfunds	(110,000.00)			(110,000.00)
Payments for Salaries		(17,322.07)		(17,322.07)
Payments to Suppliers	(21,967.56)	(162.00)		(22,129.56)
Payments for Miscellaneous Expenses	(82,154.47)			(82,154.47)
Payments to Food Service Management Company	(913,044.93)			(913,044.93)
Net Cash Provided by (Used for) Operating Activities	<u>(479,958.07)</u>	<u>49,229.96</u>	<u>89,750.00</u>	<u>(340,978.11)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	11,969.20			11,969.20
Federal Sources	422,932.33			422,932.33
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>434,901.53</u>			<u>434,901.53</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	190.35		10.60	200.95
Net Cash Provided by (Used for) Investing Activities	<u>190.35</u>		<u>10.60</u>	<u>200.95</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(44,866.19)	49,229.96	89,760.60	94,124.37
Balances—Beginning of Year	230,736.08			230,736.08
Balances—End of Year	<u>185,869.89</u>	<u>49,229.96</u>	<u>89,760.60</u>	<u>324,860.45</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided				
(Used) by Operating Activities:				
Operating Income (Loss)	(447,164.16)	25,938.79		(421,225.37)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation and Net Amortization	19,809.69			19,809.69
Food Distribution Program Donated Commodities	35,562.43			35,562.43
(Increase) Decrease in Accounts Receivable, Net	(21,597.00)			(21,597.00)
(Increase) Decrease in Inventories	(3,497.63)			(3,497.63)
(Increase) Decrease in Other Current Assets	(110,000.00)			(110,000.00)
Increase (Decrease) in Accounts Payable	46,928.60			46,928.60
Increase (Decrease) in Other Current Liabilities		23,291.17	89,750.00	113,041.17
Total Adjustments	<u>(32,793.91)</u>	<u>23,291.17</u>	<u>89,750.00</u>	<u>80,247.26</u>
Net Cash Provided by (Used for) Operating Activities	<u>(479,958.07)</u>	<u>49,229.96</u>	<u>89,750.00</u>	<u>(340,978.11)</u>

FIDUCIARY FUND

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	<u>Agency Fund</u>
ASSETS	
Cash and Cash Equivalents	351,384.96
Interfund Receivable	422,660.75
Total Assets	<u><u>774,045.71</u></u>
LIABILITIES	
Payable to Student Groups	66,105.26
Interfund Payable	123,961.39
Payroll Deductions and Withholdings	583,979.06
Total Liabilities	<u><u>774,045.71</u></u>

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>June 30, 2011</u>
ELEMENTARY SCHOOLS:				
Gantner Avenue	8,522.30	8,925.67	8,186.74	9,261.23
Gilbert Avenue	928.91	5,678.99	5,988.42	619.48
Sixteenth Avenue	(22.49)	4,664.10	4,637.83	3.78
JUNIOR HIGH SCHOOL:				
Memorial Middle School	24,816.63	82,436.96	87,651.36	19,602.23
SENIOR HIGH SCHOOL:				
Memorial High School	25,502.09	113,824.19	105,346.35	33,979.93
Athletic Activities	1,477.96	48,977.65	47,817.00	2,638.61
INTERFUND PAYABLE	1,999.00		1,999.00	
	<u>63,224.40</u>	<u>264,507.56</u>	<u>261,626.70</u>	<u>66,105.26</u>

**BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2011**

	<u>Balance July 1, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2011</u>
Net Payroll		10,592,360.10	10,592,360.10	
Interfund Receivable		186,314.78	608,975.53	(422,660.75)
Payroll Deductions and Withholdings	598,897.30	8,061,006.56	8,075,924.80	583,979.06
Interfund Payable	15,658.50	123,456.64	15,153.75	123,961.39
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>614,555.80</u>	<u>18,963,138.08</u>	<u>19,292,414.18</u>	<u>285,279.70</u>

LONG-TERM DEBT

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
 General Long Term Debt Account Group
 Statement of Serial Bonds
 June 30, 2011

ISSUE	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2010	Retired	Balance June 30, 2011
			Date	Amount				
School Improvement Bonds	10/15/2004	31,482,000.00	8/1/2011	950,000.00	4.125%	28,382,000.00	900,000.00	27,482,000.00
			8/1/2012	1,000,000.00	4.125%			
			8/1/2013	1,050,000.00	4.125%			
			8/1/2014	1,100,000.00	4.125%			
			8/1/2015	1,150,000.00	4.125%			
			8/1/2016	1,200,000.00	4.125%			
			8/1/2017	1,250,000.00	4.125%			
			8/1/2018	1,300,000.00	4.125%			
			8/1/2019	1,350,000.00	4.125%			
			8/1/2020	1,450,000.00	4.125%			
			8/1/2021	1,500,000.00	4.125%			
			8/1/2022	1,550,000.00	4.250%			
			8/1/2023	1,600,000.00	4.250%			
			8/1/2024	1,650,000.00	4.375%			
			8/1/2025	1,700,000.00	4.400%			
		8/1/2026	1,750,000.00	4.500%				
		8/1/2027	1,850,000.00	4.500%				
		8/1/2028	1,950,000.00	4.500%				
		8/1/2029	2,132,000.00	4.500%				
						28,382,000.00	900,000.00	27,482,000.00

Exhibit I-2

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
 General Long Term Debt Account Group
 Statement of Obligations under Capital Leases
 June 30, 2011

SERIES	Interest Rate Payable	Amount of Original Issues	Amount Outstanding on July 1, 2010	Retired in Current Year	Amount Outstanding on June 30, 2011
Computer Equipment and Vehicle	4.80%	208,452.19	84,304.73	71,970.83	12,333.90
Computer Equipment	4.50%	250,000.00	22,061.16	22,061.16	
Computer Equipment and Vehicle	4.54%	163,403.59	119,764.00	53,818.13	65,945.87
TOTAL			<u>226,129.89</u>	<u>147,850.12</u>	<u>78,279.77</u>

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	2,093,740.00		2,093,740.00	2,093,740.00	
Miscellaneous Revenue					
Total Local Sources	2,093,740.00		2,093,740.00	2,093,740.00	
Total Revenues	2,093,740.00		2,093,740.00	2,093,740.00	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,193,740.00		1,193,740.00	1,193,740.00	
Redemption of Principal	900,000.00		900,000.00	900,000.00	
Total Regular Debt Service	2,093,740.00		2,093,740.00	2,093,740.00	
Total expenditures	2,093,740.00		2,093,740.00	2,093,740.00	
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Other Financing Sources:					
Operating Transfers In:				447.64	447.64
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures				447.64	447.64
Fund Balance, July 1	2.50		2.50	2.50	
Fund Balance, June 30	2.50		2.50	450.14	447.64

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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

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

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets by Component
- J-2 Changes in Net Assets
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
(Revised July 2006)
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

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

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Net Assets by Component
Last Ten Fiscal Years*
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	240,512.00	1,756,864.00	306,741.00	282,287.00	15,045,242.76	16,111,489.63	15,744,171.41	15,496,530.36	15,110,079.69	
Restricted	46,313.00	(414,990.00)	13,691,399.00	23,881,069.10	28,922.55	1.42	1,212.64	1,215.14	451.14	
Unrestricted	(294,937.00)	191,780.00	3,811.00	(9,460,120.31)	(359,437.76)	(1,273,477.18)	(1,271,167.87)	(1,556,591.84)	(1,670,542.42)	
Total Governmental Activities Net Assets	(8,112.00)	1,533,654.00	14,001,951.00	14,703,235.79	14,714,727.55	14,836,013.87	14,474,216.18	13,941,153.66	13,439,988.41	
Business-type Activities										
Invested in Capital Assets, Net of Related Debt	23,376.00	32,566.00	26,593.00	21,719.98	16,510.64	235,693.38	213,980.53	193,634.51	173,824.82	
Restricted	89,796.00	125,916.00	163,971.00	217,385.16	265,944.49	61,638.57	113,778.46	133,907.61	203,323.46	
Unrestricted	113,172.00	158,482.00	190,564.00	239,105.14	282,455.13	297,331.95	327,758.99	327,542.12	377,148.28	
Total Business-type Activities Net Assets	326,344.00	316,964.00	381,128.00	478,810.28	554,910.26	594,723.90	555,717.98	514,716.24	554,296.56	
District-wide										
Invested in Capital Assets, Net of Related Debt	263,888.00	1,789,430.00	333,334.00	304,006.98	15,061,753.40	16,347,183.01	15,958,151.94	15,690,164.87	15,283,904.51	
Restricted	46,313.00	(414,990.00)	13,691,399.00	23,881,069.10	28,922.55	1.42	1,212.64	1,215.14	451.14	
Unrestricted	(205,141.00)	317,696.00	167,782.00	(9,242,735.15)	(93,493.27)	(1,211,838.61)	(1,157,389.41)	(1,422,684.23)	(1,467,218.96)	
Total District Net Assets	105,060.00	1,692,136.00	14,192,515.00	14,942,340.93	14,997,182.68	15,135,345.82	14,801,975.17	14,268,695.78	13,817,136.69	

Source: CAFR Schedule A-1

* GASB requires that ten years of statistical data be presented. However, since fiscal year 2003 was the first year of GASB 34 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Changes in Net Assets
Last Ten Fiscal Years*
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes Levied for General Purposes	19,288,748.00	20,748,682.00	21,227,696.00	21,660,863.00	23,573,986.00	24,403,769.00	25,780,937.00	26,423,176.00	27,480,103.00
Taxes Levied for Debt Service				1,716,487.00	1,462,374.00	2,043,302.00	2,062,302.00	2,079,305.00	2,093,740.00
State Facilities Grant	2,927,969.00		12,768,613.00						
Unrestricted Federal and State Aid	27,081.00	4,054,072.00	3,822,966.00	4,087,713.70	4,709,566.52	5,211,022.04	4,887,393.99	5,332,263.11	4,254,541.56
Federal and State Aid - Capital Outlay								78,239.91	34,269.37
Tuition Received									(764.00)
Cancellation Accounts Receivable/Payable									4,675.53
Investment Earnings	22,320.00	36,670.00	651,429.00	936,194.11	290,268.09	254,989.06	64,888.59	2,898.50	160,448.62
Miscellaneous Income	93,627.00	73,439.00	38,240.00	6,628.23	57,623.19	110,744.55	70,074.11	88,135.44	
Transfers									
Total Governmental Activities	22,359,745.00	24,912,863.00	38,508,944.00	28,407,886.04	30,093,817.80	32,023,826.65	32,865,595.69	34,004,017.96	34,027,014.08
Business-type Activities:									
Investment Earnings									
Transfers									
Total Business-type Activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.24	200.95
Total District-wide	22,359,745.00	24,912,863.00	38,508,944.00	28,407,886.04	30,093,817.80	32,023,826.65	32,865,595.69	34,004,024.20	34,027,215.03
Change in Net Assets									
Governmental Activities	(137,209.00)	1,541,766.00	12,488,297.00	701,285.62	11,491.76	123,286.32	(363,797.69)	(533,062.52)	(501,165.25)
Business-type Activities	20,849.00	33,748.00	32,082.00	48,540.66	43,349.99	14,876.82	30,427.04	(216.87)	49,606.16
Total District	(116,360.00)	1,575,514.00	12,500,379.00	749,826.28	54,841.75	138,163.14	(333,370.65)	(533,279.39)	(451,559.09)

Source: CAFR Schedule A-2

* GASB requires that ten years of statistical data be presented. However, since fiscal year 2003 was the first year of GASB 34 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Fund Balances Governmental Funds
Last Ten Fiscal Years*
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund									
Reserved	46,313.00	1,045,201.00	349,575.00	714,443.29	1.00	1.00	1.00	1.00	1.00
Unreserved	579,377.00	1,031,746.00	1,737,189.00	1,641,015.88	884,626.27	80,084.46	99,399.47	(184,979.78)	1.00
Restricted									(704,547.74)
Unassigned									
Total General fund	625,690.00	2,076,947.00	2,086,764.00	2,355,459.17	884,627.27	80,085.46	99,400.47	(184,978.78)	(704,546.74)
All Other Governmental Funds									
Unreserved, Reported in:									
Special Revenue Fund	(9,606.00)	(4,987.00)	(4,987.00)	(4,987.00)	(4,987.00)	(3,274.00)	1,211.64	1,211.64	
Capital Projects Fund		(1,473,475.00)	41,610,449.00	22,606,696.39	28,920.63			2.50	
Debt Service		13,283.00	573,212.00	559,929.42	0.92	0.42			
Restricted for:									
Debt Service									450.14
Total Business-type Activities Net Assets	(9,606.00)	(1,465,179.00)	42,178,674.00	23,161,638.61	23,934.55	(3,273.58)	1,211.64	1,214.14	450.14

Source: CAFR Schedule B-1

* GASB requires that ten years of statistical data be presented. However, since fiscal year 2003 was the first year of GASB 34 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax Levy	17,820,184.00	19,288,748.00	20,748,682.00	21,227,696.00	23,377,350.00	25,036,360.00	26,447,071.00	27,843,239.00	28,502,481.00	29,573,843.00
E-Rate	36,511.00	22,320.00	36,670.00	661,429.00	936,194.11	290,288.09	254,989.06	64,888.59	78,239.91	34,289.37
Interest Earnings	25,037.00	94,127.00	74,973.00	36,740.00	69,764.43	58,065.24	120,305.02	73,938.56	92,691.07	4,675.53
Miscellaneous	2,618,295.00	3,360,614.00	4,443,247.00	16,984,272.00	4,459,450.35	5,126,722.99	5,628,412.54	5,223,222.56	5,440,938.77	4,401,048.41
State Sources	618,668.00	751,078.00	795,357.00	820,663.00	994,339.91	923,186.41	969,086.52	993,233.77	1,678,101.41	1,263,766.44
Federal Sources	21,117,695.00	23,516,867.00	26,098,929.00	39,722,800.00	29,836,098.80	31,434,602.73	33,319,864.24	34,188,512.48	35,795,350.66	35,439,869.84
Total Revenues	17,820,184.00	19,288,748.00	20,748,682.00	21,227,696.00	23,377,350.00	25,036,360.00	26,447,071.00	27,843,239.00	28,502,481.00	29,573,843.00
Expenditures										
Instruction:										
Regular	6,427,328.00	6,635,837.00	6,725,705.00	7,147,357.00	7,109,418.69	7,376,606.96	8,129,824.61	8,420,728.98	8,883,554.99	8,337,605.91
Special	872,198.00	1,071,462.00	1,122,015.00	1,185,082.00	1,156,007.97	1,175,954.38	1,339,158.23	1,589,747.30	1,936,695.47	2,005,274.45
Other Special Instruction	273,141.00	208,945.00	202,861.00	124,490.00	125,459.69	156,706.33	148,237.82	154,101.58	183,655.12	219,475.16
School-Sponsored/Other Instructional	405,964.00	412,626.00	424,382.00	417,050.00	417,105.40	415,416.30	445,087.04	453,795.91	525,497.47	564,178.76
Community Service Programs			5,636.00	4,706.00	1,959.14			1,166.02		
Support Services:										
Instruction - Tuition	2,686,085.00	2,984,513.00	3,064,172.00	3,604,469.00	3,694,685.35	4,514,316.36	4,158,699.02	4,272,582.45	4,261,058.02	4,470,521.56
Student & Instruction Related Services	2,542,772.00	2,806,993.00	2,678,845.00	2,991,614.00	3,204,880.26	3,339,793.71	3,450,879.31	3,672,989.93	3,856,948.65	3,780,523.97
School Administration	1,125,021.00	1,166,098.00	1,118,839.00	1,206,181.00	1,244,894.71	1,194,070.27	1,256,752.41	1,359,025.74	1,366,686.16	1,678,728.17
General Administration	782,668.00	762,467.00	830,611.00	814,991.00	716,131.60	747,966.75	782,510.13	836,309.29	837,952.14	852,507.22
Central Services & Admin. Info. Technology	1,589,751.00	1,672,580.00	1,763,909.00	2,000,868.00	2,441,059.91	2,611,128.59	2,792,628.19	2,824,950.57	2,938,699.09	2,737,364.74
Operations and Maintenance	1,305,551.00	1,351,698.00	1,521,772.00	1,481,993.00	1,605,560.00	1,821,577.51	1,805,549.07	2,172,429.85	1,950,843.23	1,484,400.26
Student Transportation	779,323.00	567,439.00	595,157.00	556,395.00	560,909.85	661,644.13	933,911.01	873,685.44	653,867.47	720,637.66
Business and Other Support Services	2,468,732.00	3,954,424.00	4,457,860.00	4,774,256.00	5,216,827.23	6,052,178.32	6,503,776.32	5,413,180.69	6,285,671.12	6,781,471.51
Employee Benefits			10,406.00							
Special Schools					16,056.00	2,852.00	6,267.00	22,842.00	13,057.10	94,568.40
Transfer to Charter Schools	107,205.00	127,769.00	1,662,294.00	1,352,122.00	19,140,575.14	23,950,606.76	624,931.52	253,127.19	449,154.68	138,430.00
Capital Outlay										
Debt Service:										
Principal										
Interest and Other Charges										
Total Governmental Fund Expenditures	17,820,184.00	19,288,748.00	20,748,682.00	21,227,696.00	23,377,350.00	25,036,360.00	26,447,071.00	27,843,239.00	28,502,481.00	29,573,843.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(148,044.00)	(205,584.00)	(105,545.00)	12,061,227.00	(18,865,201.39)	(24,608,536.16)	(1,061,749.94)	(184,651.96)	(447,780.34)	(519,567.96)
Other Financing Sources (Uses)										
Operating Transfers In			13,283.00	559,929.00	817,114.73	1,402,668.71	389,126.98	20,765.81	10.22	447.64
Operating Transfers Out			(13,283.00)	(559,929.00)	(817,114.73)	(1,402,668.71)	(389,126.98)	(20,765.81)	(10.22)	(447.64)
Proceeds from the Sale of Bonds				31,482,000.00						
Cancellation of Accounts Receivable										
Cancellation of Accounts Payable										
Prior Year State Audit Recovery										
Capital Leases (non-budgeted)										
Total Other Financing Sources (Uses)	(110,042.00)	(104,846.00)	(4,316.00)	43,653,671.00	(18,748,339.33)	(24,608,536.16)	(831,749.94)	23,800.23	(284,376.75)	(520,331.96)
Net Changes in Fund Balance										
Debt Service as a percentage of noncapital expenditures					5.85%	6.30%	6.05%	6.04%	5.81%	5.85%

Source: CAFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

**General Fund Other Local Revenue by Source
Last Ten Fiscal Years**

<u>Fiscal Year Ended June 30,</u>	<u>Rentals</u>	<u>Interest on Investments</u>	<u>E-Rate</u>	<u>Other Misc.</u>	<u>Rebates/ Refunds</u>	<u>Total</u>
2002		36,511.00		18,587.00	5,950.00	61,048.00
2003		22,320.00		86,254.00	7,373.00	115,947.00
2004		23,387.00		65,114.00	8,325.00	96,826.00
2005		91,500.00		37,793.00	447.00	129,740.00
2006		119,079.38		6,628.23		125,707.61
2007		193,292.38		19,752.78	37,870.41	250,915.57
2008		85,548.52		18,258.39	59,556.84	163,363.75
2009		10,022.78		2,745.58	56,094.11	68,862.47
2010		2,888.28	78,239.91	68,844.84	19,290.60	169,263.63
2011		4,675.53	34,269.37	160,448.62		199,393.52

Source: District Records.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Assessed Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
2001	14,472,800	836,410,000	975,600	167,003,800	72,043,300	41,960,800	1,132,866,400	1,830,298	1,134,696,698	1,193,721,238	1.5200
2002	16,683,800	837,916,200	75,600	163,677,700	71,893,300	41,797,000	1,132,043,600	2,763,286	1,134,806,886	1,191,547,472	1.6400
2003	15,090,200	840,949,900	975,600	164,935,000	69,929,800	42,299,900	1,134,180,400	1,641,562	1,135,821,962	1,519,590,377	1.7600
2004	14,991,000	844,749,400	975,600	172,149,200	67,830,200	42,299,900	1,142,995,300	1,391,469	1,144,386,769	1,720,508,039	1.8300
2005*	29,615,900	1,524,319,000	2,065,400	294,413,900	124,847,100	67,596,700	2,042,858,000	2,082,201	2,044,940,201	1,948,721,561	1.1000
2006	27,799,800	1,526,131,100		294,076,100	124,489,800	67,128,700	2,039,625,500	1,954,197	2,041,579,697	2,282,969,417	1.1760
2007	23,822,600	1,534,921,200		297,067,700	123,075,400	68,441,500	2,047,328,400	1,954,197	2,049,282,597	2,469,216,942	1.2560
2008	26,194,300	1,553,311,900		290,844,300	116,621,500	63,267,700	2,050,239,700	1,674,243	2,051,913,943	2,587,919,237	1.3520
2009	20,420,400	1,574,061,200		288,186,500	119,348,700	63,267,700	2,065,284,500	1,674,243	2,066,958,743	2,607,177,526	1.3340
2010	19,156,000	1,580,256,800		287,015,300	119,348,700	63,267,700	2,069,044,500	2,042,994	2,071,087,494	2,513,582,993	1.4020

Source: Bergen County, Abstract of Rates and Municipal Tax Assessor

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

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

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

b Tax rates are per \$100 of assessed value.

* Revaluation Year

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Per \$100 of Assessed Valuation**

Assessment Year	Basic Rate ^a	General Obligation Debt Service ^b	Local School District	Overlapping Rates		Total Direct and overlapping Tax Rate
				Municipality ^c	County	
2001	1.5200		1.5200	0.8100	0.2600	2.5900
2002	1.6400		1.6400	0.8400	0.2800	2.7600
2003	1.7600		1.7600	0.8500	0.2900	2.9000
2004	1.8300		1.8300	0.9500	0.3100	3.0900
2005*	1.0487	0.0513	1.1000	0.5790	0.1910	1.8700
2006	1.1074	0.0686	1.1760	0.6260	0.2080	2.0100
2007	1.1589	0.0971	1.2560	0.6780	0.2160	2.1500
2008	1.2518	0.1002	1.3520	0.7180	0.2320	2.3020
2009	1.2368	0.0972	1.3340	0.7580	0.2430	2.3350
2010	1.3012	0.1008	1.4020	0.7990	0.2390	2.4400

Source: District Records and Municipal Tax Collector.

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

- a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- b Rates for debt service are based on each year's requirements.
- c Includes Special District tax rate and Municipal Open Space tax rate .

* Revaluation Year

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Schedule of Principal Taxpayers

Current and Nine Years Ago

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation
Marcal Paper Mill Inc.	14,669,500	1	0.71%			
RD Elmwood Associates, LP	14,490,900	2	0.70%	13,358,400	2	1.18%
35 Market Street, LP	11,700,000	3	0.56%	5,818,100	8	0.51%
LKD-1, LLC	11,496,700	4	0.56%	8,143,300	5	0.72%
LKD-3, LLC	11,003,900	5	0.53%			
RFC-1 LLC	10,954,500	6	0.53%			
Altair % Garden Homes	10,700,100	7	0.52%			
Hartz Mtn. Ind Inc.	9,676,500	8	0.47%	6,559,000	7	0.58%
669 River Dr. Assoc., LLC	9,574,000	9	0.46%			
Bankers Financial Corp.	9,467,000	10	0.46%	8,729,700	4	0.77%
Elmwood V. Assoc., Lp				23,000,000	1	2.03%
Elmwood Terrace Inc.				10,222,000	3	0.90%
River Dr Center Assoc.				7,652,000	6	0.67%
Marcalus Manufacturing Co				5,630,300	9	0.50%
River Dr. Dev. Assoc.				4,931,200	10	0.43%
	<u>113,733,100</u>		<u>5.49%</u>	<u>94,044,000</u>		<u>8.29%</u>

Sourc: Municipal Tax Assessor's Office.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

**School Tax Levies and Collections
Last Ten Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	17,820,184.00	17,820,184.00	100.00%	
2003	19,288,748.00	19,288,748.00	100.00%	
2004	20,748,682.00	20,748,682.00	100.00%	
2005	21,227,696.00	21,227,696.00	100.00%	
2006	23,377,350.00	23,377,350.00	100.00%	
2007	25,036,360.00	25,036,360.00	100.00%	
2008	26,447,071.00	26,447,071.00	100.00%	
2009	27,843,239.00	27,843,239.00	100.00%	
2010	28,502,481.00	28,502,481.00	100.00%	
2011	29,573,843.00	29,573,843.00	100.00%	

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

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Loans Payable	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases		
2002			268,641.00			0.03%	14
2003			270,125.00			0.03%	14
2004			244,234.00			0.03%	13
2005	31,482,000.00		189,731.00			3.09%	1,690
2006	31,482,000.00		157,215.03			2.99%	1,702
2007	30,782,000.00		69,915.04			2.66%	1,676
2008	30,032,000.00		210,421.19			2.43%	1,629
2009	29,232,000.00		260,778.96			2.32%	1,589
2010	28,382,000.00		226,129.89			2.38%	1,534
2011	27,482,000.00		78,279.77			not available	1,478

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

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

Exhibit J-11

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2001	-	-	0.00	0.00%	-
2002	-	-	0.00	0.00%	-
2003	-	-	0.00	0.00%	-
2005	31,482,000.00	-	31,482,000.00	2.75%	1,680
2006	31,482,000.00	-	31,482,000.00	1.54%	1,693
2007	30,782,000.00	-	30,782,000.00	1.51%	1,672
2008	30,032,000.00	-	30,032,000.00	1.47%	1,617
2009	29,232,000.00	-	29,232,000.00	1.42%	1,575
2010	28,382,000.00	-	28,382,000.00	1.37%	1,522
2011	27,482,000.00	-	27,482,000.00	1.33%	1,474

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

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

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

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Elmwood Park	\$ 15,755,173	100.000%	\$ 15,755,173
Other debt			
Bergen County General Obligation Debt	730,825,490	1.3705%	8,408,013
Subtotal, overlapping debt			<u>24,163,186</u>
Elmwood Park School District Direct Debt			<u>27,482,000</u>
Total direct and overlapping debt			<u>\$ 51,645,186</u>

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

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

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

(1) Debt Information as of December 31, 2010.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2011

Equalized valuation basis	
2010	\$ 2,365,703,750
2008	2,484,403,344
2007	2,563,761,035
[A]	\$ 7,413,868,129
[A/3]	\$ 2,471,289,376

Average equalized valuation of taxable property

[B]	98,851,575	a
[C]	27,482,000	
[B-C]	\$ 71,369,575	

Debt limit (4% of average equalization value)
 Total Net Debt Applicable to Limit
 Legal debt margin

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 48,835,804	\$ 53,663,336	\$ 59,978,179	\$ 68,079,338	\$ 78,293,837	\$ 88,267,542	\$ 96,763,421	\$ 100,769,518	\$ 101,430,998	\$ 98,851,575
Total net debt applicable to limit				31,482,161	31,482,161	30,782,161	30,032,000	29,232,000	28,382,000	27,482,000
Legal debt margin	\$ 48,835,804	\$ 53,663,336	\$ 59,978,179	\$ 36,597,177	\$ 46,811,676	\$ 57,485,381	\$ 66,731,421	\$ 71,537,518	\$ 73,048,998	\$ 71,369,575
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	46.24%	40.21%	34.87%	31.04%	29.01%	27.98%	27.80%

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

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

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

**Demographic and Economic Statistics
Last Ten Years**

<u>Year Ended December 31,</u>	<u>School District Population (1)</u>	<u>Personal Income in Thousands \$ (2)</u>	<u>Per Capita Income (3)</u>	<u>Unemployment Rate (4)</u>
2001	18,868	983,060,536	52,102	4.20%
2002	18,828	977,756,868	51,931	5.70%
2003	18,779	963,193,689	51,291	5.60%
2004	18,742	1,024,606,398	54,669	4.70%
2005	18,592	1,059,056,096	56,963	4.60%
2006	18,409	1,160,153,589	63,021	4.90%
2007	18,569	1,246,221,297	67,113	4.40%
2008	18,556	1,271,846,796	68,541	5.70%
2009	18,645	1,200,514,260	64,388	10.10%
2010	18,645	Not Available	Not Available	8.10%

- Source:
- (1) U.S. Bureau of the Census, Population Division,
(Estimates July 1, 2001-2009, Actual April 1, 2000)
 - (2) County Personal income. Income of the District is not available.
 - (3) U.S. Department of Commerce, County Information 2001-2009.
 - (4) N.J. Department of Labor.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

Schedule of Principal Employers

Current and Nine Years Ago

2010

2001

INFORMATION IS NOT AVAILABLE

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction	130.0	130.0	134.0	135.0	135.0	187.0	135.0	151.0	164.0	177.0
Regular	30.0	37.0	34.0	45.0	46.0	47.0	29.0	38.0	40.0	40.0
Special education										
Other instruction	3.0	2.0	4.0	2.0						
Support Services:										
Tuition										
Student & instruction related services							48.0	46.0	55.0	55.0
General administrative services	4.0	4.0	5.0	5.0	1.0	1.0	7.0	7.0	7.0	7.0
School administrative services	10.0	10.0	10.0	9.0	11.0	11.0	26.0	26.0	26.0	27.0
Business administrative services	7.0	7.0	7.0	7.0	8.5	8.5	8.5	8.5	8.5	9.5
Plant operations and maintenance	20.0	20.0	20.0	22.0	21.5	24.5	26.5	26.5	24.5	27.0
Pupil transportation	11.0	10.0	6.0	5.0	3.0	3.0	3.0	3.0	3.0	1.0
Total	215.0	220.0	220.0	230.0	226.0	282.0	283.0	306.0	328.0	343.5

Source: NJDOE Annual School District Budget Statement Supporting Document (Budgeted Full-Time Equivalents)

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

Fiscal Year	Teacher/Pupil Ratio											
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Junior High School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2002	2,008	21,158,534	\$ 10,537	4.27%	215	1:22	1:21	1:15	2,042.0	1,931.0	1.90%	94.56%
2003	2,008	23,594,652	\$ 11,750	11.51%	220	1:22	1:20	1:15	2,008.0	1,897.0	-1.67%	94.47%
2004	2,087	24,542,180	\$ 11,760	0.08%	220	1:19	1:16	1:12	2,087.0	1,976.0	3.93%	94.68%
2005	2,110	26,309,451	\$ 12,469	6.03%	232	1:19	1:18	1:14	2,110.0	1,994.0	1.10%	94.50%
2006	2,120	27,830,956	\$ 13,128	5.28%	236	1:19	1:18	1:14	2,226.0	2,109.0	5.50%	94.74%
2007	2,132	30,070,230	\$ 14,104	7.44%	282	1:19	1:18	1:14	2,132.0	2,025.0	-4.22%	94.88%
2008	2,212	31,733,380	\$ 14,346	1.71%	283	1:21	1:18	1:14	2,212.0	2,102.0	3.75%	95.03%
2009	2,308	32,067,735	\$ 13,884	-3.15%	306	1:16	1:18	1:14	2,298.0	2,181.0	3.89%	94.91%
2010	2,326	33,714,674	\$ 14,485	4.32%	328	1:16	1:18	1:16	2,311.0	2,201.0	0.57%	95.24%
2011	2,473	33,727,268	\$ 13,638	-5.91%	307	1:16	1:18	1:16	2,402.0	2,281.0	3.94%	94.96%

Sources: District records and ASSA

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.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>District Building</u>										
<u>Ganter Elementary School</u>										
Square Feet	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453
Capacity (students)	260	258	259	245	313	313	313	313	313	313
Enrollment										
<u>Gilbert Elementary School</u>										
Square Feet	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767
Capacity (students)	310	304	310	350	338	338	338	338	338	338
Enrollment										
<u>16th Avenue School</u>										
Square Feet	53,525	53,525	53,525	53,525	53,525	63,525	63,525	63,525	63,525	63,525
Capacity (students)	222	224	250	270	302	302	302	302	302	302
Enrollment										
<u>High School/Middle School</u>										
Square Feet	210,822	210,822	210,822	210,822	210,822	210,822	210,822	210,822	210,822	210,822
Capacity (students) unadjusted	1222	1250	1222	1268	1245	1194	1194	1194	1194	1194
Enrollment										

Number of Schools at June 30, 2011
 Elementary = 3
 High/Middle School = 1

Source: District records, ASSA, LRFPP

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities
For the Fiscal Year Ended June 30,

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

* School Facilities	Project# (s)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Memorial Middle/High School	N/A	390,385.00	402,690.00	331,086.00	302,715.00	387,963.30	442,163.00	358,299.00	210,345.00	223,275.00	294,778.00
Gantner Avenue Elem. School	N/A	110,108.00	152,108.00	69,503.00	47,230.00	71,852.48	78,029.00	63,230.00	71,707.00	69,131.00	52,273.00
Gilbert Avenue Elem. School	N/A	107,292.00	163,660.00	92,768.00	52,098.00	121,848.38	99,703.00	80,793.00	72,246.00	81,025.00	66,379.00
Sixteenth Avenue Elem. School	N/A	126,686.00	157,723.00	52,121.00	70,948.00	120,920.53	102,593.00	83,135.00	74,208.00	75,929.00	69,230.00
Other Facilities	N/A										18,558.00
Total School Facilities		734,471.00	876,181.00	545,478.00	472,991.00	702,584.69	722,488.00	585,457.00	428,506.00	449,360.00	500,218.00

* School facilities as defined under EFCA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT

**Insurance Schedule
June 30, 2011**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)	71,469,398	5,000
Boiler and Machinery	71,469,398	5,000
EDP Equipment	800,000	1,000
Automobile Coverage	1,000,000	1,000
General Liability	16,000,000	
School Board Legal Liability	5,000,000	5,000
Umbrella Liability	10,000,000	0
Workers Compensation & Employer's Liability	500,000	0
Student Accident Insurance (2)	5,000,000	0
Environmental Liability (3)	3,000,000	15,000
Surety Bonds (4)		
Board Secretary / Business Asministrator	350,000	N/A

(1) New Jersey School Boards Association Insurance Group

(2) Peoples Benefit Life Insurance

(3) American Safety Casualty Insurance Company

(4) Western Surety Company

Source: District records.

SINGLE AUDIT SECTION

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

Honorable President and
Members of the Board of Education
Borough of Elmwood Park School District
County of Bergen, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Elmwood Park School District in the County of Bergen as of and for the fiscal year ended June 30, 2011 which collectively comprise the basic financial statements of the Board of Education of the Borough of Elmwood Park School District in the County of Bergen, and have issued our report thereon dated November 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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



A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses listed as Finding 2011-1.

Compliance and Other Matters

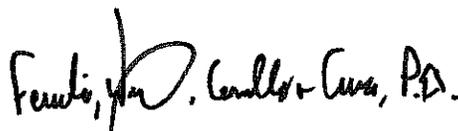
As part of obtaining reasonable assurance about whether the Borough of Elmwood Park School District Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance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

We noted certain matters that we reported to the Board of Education of the Borough of Elmwood Park School District in a separate report entitled, *Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* dated November 22, 2011.

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



Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

November 22, 2011

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR FEDERAL AND STATE PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND N.J. OMB CIRCULAR 04-04**

Honorable President and
Members of the Board of Education
Borough of Elmwood Park School District
County of Bergen, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Borough of Elmwood Park School District in the County of Bergen with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Office of Management and Budget's State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. Borough of Elmwood Park School District Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Borough of Elmwood Park School District Board of Education's management. Our responsibility is to express an opinion on the Borough of Elmwood Park School District Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 the provisions the New Jersey State Treasury Circular Letter 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards, and OMB Circular A-133 and N.J. OMB 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 the Borough of Elmwood Park School District Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Elmwood Park School District Board of Education's compliance with those requirements.



In our opinion, the Borough of Elmwood Park School District Board of Education complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2011.

Internal Control Over Compliance

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

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

Our consideration of the 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the management, the Borough of Elmwood Park Board of Education, 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.



Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

November 22, 2011



Schedule A

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2011

Federal Grant/Pass-Through Grantor Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2010	Carryover/ Adjustments	Cash Received	Budgetary Expenditures	Balance at June 30, 2011		MEMO Cumulative Total Expenditures	
									Accounts Receivable	Deferred Revenue		
U.S. Department of Education:												
General Fund:												
Educational Jobs Fund	84.410A	N/A	07/01/10-06/30/11	102,821.00			102,821.00	(102,821.00)			102,821.00	
Medical Assistance Program (SEMF)	93.778	N/A	07/01/10-06/30/11	13,794.86			13,794.86	(13,794.86)			13,794.86	
Total General Fund							116,615.86	(116,615.86)			116,615.86	
U.S. Department of Education Passed-Through State Department of Education:												
Special Revenue Fund:												
Title I - Improving Basic Programs	84.010	NCLB1345-11	09/01/10-08/31/11	428,085.00								
Title I - Improving Basic Programs	84.010	NCLB1345-10	09/01/09-08/31/10	363,177.00	(133,881.00)	36,246.00	313,655.00	(402,390.07)	(52,489.07)		402,390.07	
Title I - SIA	84.010	NCLB1345-10	09/01/09-08/31/10	13,479.00		2,226.00	131,655.00	(13,479.00)	(13,479.00)		355,533.00	
Title II-A - Teacher & Principal Training/Recruiting	84.367	NCLB1345-11	09/01/10-08/31/11	142,072.00		16,317.00	8,186.00	(100,333.58)	(75,830.58)		13,479.00	
Title II-A - Teacher & Principal Training/Recruiting	84.367	NCLB1345-10	09/01/09-08/31/10	75,893.00	(8,118.18)	8,118.18					100,333.58	
Title II-A - Teacher & Principal Training/Recruiting	84.367	NCLB1345-09	09/01/09-08/31/09	75,986.00	6,669.00	(6,669.00)					7,741.00	
Title II-D - Enhancing Education Through Technology	84.318	NCLB1345-11	09/01/10-08/31/11	765.00							69,317.00	
Title II-D - Enhancing Education Through Technology	84.318	NCLB1345-10	09/01/09-08/31/10	3,699.00							677.50	
Title II-D - Enhancing Education Through Technology	84.318	NCLB1345-09	09/01/08-08/31/09	2,799.00	53.50						3,699.00	
Title III - Part A English Language Enhancements	84.365	NCLB1345-11	09/01/10-08/31/11	17,837.00			14,983.00	(16,895.44)	(1,912.44)		2,799.00	
Title III - Part A English Language Enhancements	84.365	NCLB1345-10	09/01/09-08/31/10	18,818.00	(212.94)		6,818.00	(6,605.06)			16,895.44	
Title III - Part A English Language Enhancements	84.365	NCLB1345-09	09/01/08-08/31/09	19,253.00	3,659.43						12,212.94	
Title IV - Safe and Drug Free Schools	84.186	NCLB1345-10	09/01/09-08/31/10	7,884.00	920.60					920.60	15,593.57	
ID.E.A. Part B - Basic Regular	84.027	IDEA1345-11	09/01/10-08/31/11	576,880.00			488,909.00	(576,880.00)	(87,971.00)		6,963.40	
ID.E.A. Part B - Basic Regular	84.027	IDEA1345-10	09/01/09-08/31/10	563,530.00	(324,914.00)		18,732.00				22,478.00	
ID.E.A. Part B - Basic Regular	84.173	IDEA1345-11	09/01/10-08/31/11	22,478.00			4,728.00	(22,478.00)	(3,746.00)		576,880.00	
ID.E.A. Part B - Preschool	84.173	IDEA1345-10	09/01/09-08/31/10	21,456.00	(4,315.50)		92,343.00			412.50	583,530.00	
ARRA Title I Part A	84.389	ARRA1345-10	07/01/09-08/31/11	115,629.00	(83,199.70)						21,043.50	
ARRA Title I - SIA	84.388	ARRA1345-10	07/01/09-08/31/11	7,503.00							83,199.70	
ARRA - ID.E.A. Part B - Basic	84.391	ARRA1345-10	07/01/09-08/31/11	614,585.00	(389,996.99)		262,860.00		(127,136.99)		389,996.99	
ARRA - Preschool Grants	84.392	ARRA1345-10	07/01/09-08/31/11	22,171.00								
Total Special Revenue Fund					(933,355.78)	56,238.18	1,667,783.00	(1,147,150.58)	(366,941.58)	9,143.30	2,664,762.69	
U.S. Department of Agriculture Passed-Through State Department of Education:												
Enterprise Fund:												
Food Distribution Program	10.550		07/01/10-06/30/11	35,562.43		8,912.31	35,487.37	(35,562.43)		8,837.25	35,562.43	
Food Distribution Program	10.550		07/01/09-06/30/10	68,778.47	8,912.31	(8,912.31)					57,393.42	
School Breakfast Program	10.553		07/01/10-06/30/11	57,393.42			52,145.68	(57,393.42)	(5,247.74)		365,899.42	
School Breakfast Program	10.553		07/01/09-06/30/10	38,438.12	(3,833.22)		3,833.22				365,899.42	
National School Lunch Program	10.555		07/01/10-06/30/11	365,899.42			313,368.33	(365,899.42)	(30,314.32)		458,855.27	
National School Lunch Program	10.555		07/01/09-06/30/10	332,776.45	(31,368.33)						17,980.55	
Total Enterprise Fund					(26,289.24)		458,419.70	(458,855.27)	(35,562.06)	8,837.25	3,240,233.82	
TOTAL FEDERAL FINANCIAL AWARDS					(959,625.02)	56,238.18	2,247,818.56	(1,722,621.71)	(402,503.64)	17,980.55	3,240,233.82	

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 for the Fiscal Year Ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2010		Due To Grantor	Cash Received	Budgetary Expenditures	Adjustment/ Repayment of Prior Year's Balance	Balance at June 30, 2011		MEMO	
				Deferred Revenues/ (Accts. Receivable)	Due To Grantor					Accounts Receivable	Due To Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:													
General Fund:													
Equalization Aid	11-495-034-5120-078	07/01/10-06/30/11	200,612.00				197,282.00	(200,612.00)			*	2,636.00	200,612.00
Special Education Categorical Aid	11-495-034-5120-089	07/01/10-06/30/11	1,401,347.00				1,382,282.00	(1,401,347.00)			*	18,365.00	1,401,347.00
Extramural Aid	11-100-034-5120-473	07/01/10-06/30/11	651,972.00					(651,872.00)			*		651,872.00
Extramural Aid	10-100-034-5120-473	07/01/09-06/30/10	602,907.00	(602,907.00)			602,907.00	(21,228.00)			*		21,228.00
Reimbursement of Nonpublic Transportation	11-495-034-5120-014	07/01/10-06/30/11	21,228.00								*		
Reimbursement of Nonpublic Transportation	10-495-034-5120-014	07/01/09-06/30/10	24,119.00	(24,119.00)							*		
On-Behalf TPAF - Post Retirement Medical	11-495-034-5120-001	07/01/10-06/30/11	738,880.00				738,880.00	(738,880.00)			*		738,880.00
On-Behalf TPAF - Non-contributory Insurance	11-495-034-5120-007	07/01/10-06/30/11	34,787.00				34,787.00	(34,787.00)			*		34,787.00
Reimbursed TPAF - Social Security	11-495-034-5095-002	07/01/10-06/30/11	916,488.70				871,389.08	(916,488.70)			*		916,488.70
Reimbursed TPAF - Social Security	10-495-034-5095-002	07/01/09-06/30/10	911,726.11	(45,941.53)			45,941.53				*		
Total General Fund			3,898,287.61	(672,967.53)			3,898,287.61	(3,965,214.70)			*	20,995.00	3,965,214.70
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Auxiliary Services:													
Compensatory Services	11-100-034-5120-067	07/01/10-06/30/11	138,287.00				138,287.00	(123,162.43)			*	15,824.57	123,162.43
Compensatory Services	10-100-034-5120-067	07/01/09-06/30/10	142,955.00								*		
English as a Second Language	11-100-034-5120-067	07/01/10-06/30/11	18,784.00		18,084.85		18,784.00	(14,088.00)			*	4,696.00	14,088.00
English as a Second Language	10-100-034-5120-067	07/01/09-06/30/10	24,956.00		5,975.50						*		
Transportation	11-100-034-5120-067	07/01/10-06/30/11	13,459.00				13,459.00	(13,459.00)			*		13,459.00
Transportation	10-100-034-5120-067	07/01/09-06/30/10	11,819.00		2,899.00						*		
Handicapped Services:													
Examination & Classification	11-100-034-5120-066	07/01/10-06/30/11	34,928.00				34,928.00	(25,194.82)			*	9,733.18	25,194.82
Examination & Classification	10-100-034-5120-066	07/01/09-06/30/10	38,570.00		12,209.79						*		
Corrective Speech	11-100-034-5120-066	07/01/10-06/30/11	43,810.00				43,810.00	(40,133.05)			*	3,676.95	40,133.05
Corrective Speech	10-100-034-5120-066	07/01/09-06/30/10	49,319.00		8,957.00						*		
Supplementary Instruction	11-100-034-5120-066	07/01/10-06/30/11	27,795.00				27,795.00	(19,663.69)			*	8,129.31	19,663.69
Supplementary Instruction	10-100-034-5120-066	07/01/09-06/30/10	31,957.00		4,018.20						*		
Textbook Aid	11-100-034-5120-064	07/01/10-06/30/11	14,153.00				14,153.00	(11,677.12)			*	2,475.88	11,677.12
Textbook Aid	10-100-034-5120-064	07/01/09-06/30/10	17,056.00		4,743.78						*		
Textbook Aid	09-100-034-5120-064	07/01/08-06/30/09	15,842.00		1,292.65						*		
Nursing Services	11-100-034-5120-070	07/01/10-06/30/11	16,770.00				16,770.00	(15,744.60)			*	1,025.40	15,744.60
Nursing Services	10-100-034-5120-070	07/01/09-06/30/10	20,226.00		499.22						*		
Charter Education Aid	03-495-034-5120-053	07/01/05-06/30/06	5,656.00		236.40						*	236.40	
Total Special Revenue Fund			308,684.00	(38,916.39)			308,684.00	(263,122.71)			*	45,797.69	263,122.71
State Department of Agriculture:													
Enterprise Fund:													
School Breakfast Program (State Share)	10-100-010-3360-096	07/01/09-06/30/10	2,869.30				275.80				*		
National School Lunch Program (State Share)	11-100-010-3360-067	07/01/10-06/30/11	11,775.31	(275.80)			10,195.32	(11,775.31)			*		11,775.31
National School Lunch Program (State Share)	10-100-010-3360-067	07/01/09-06/30/10	16,147.20	(1,498.08)			1,498.08				*		
Total Enterprise Fund			28,891.81	(1,773.88)			11,966.20	(11,775.31)			*		11,775.31
TOTAL STATE FINANCIAL ASSISTANCE			4,240,112.72	(674,741.41)			4,219,640.81	(4,240,112.72)			*	45,797.69	4,240,112.72

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance includes the activity of all federal and state award programs of the Board of Education, Borough of Elmwood Park 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 and state awards 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 Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133 A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The Special Revenue Fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$172,711.00 for the general fund and \$-0- for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$116,615.86	\$4,137,925.70	\$4,254,541.56
Special Revenue Fund	1,147,150.58	263,122.71	1,410,273.29
Food Service Fund	<u>458,855.27</u>	<u>11,775.31</u>	<u>470,630.58</u>
Total Financial Awards	<u>\$1,722,621.71</u>	<u>\$4,412,823.72</u>	<u>\$6,135,445.43</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. CARRYOVER/ADJUSTMENTS

The amount in the Carryover/Adjustments column of the Schedule of Expenditures of Federal Awards represents adjustments to prior year expenditures to reconcile to the final reports and reimbursement requests.

NOTE 6. OTHER

Revenues and expenditures reported under the U.S.D.A. Food Distribution Program represent current year value received and current year distributions respectively. 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, 2011. 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, 2011.

**BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? _____ yes X no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027/84.173</u>	<u>I.D.E.A. Part B Basic and Preschool</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>84.010</u>	<u>Title I Improving Basic Programs</u>

**BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(continued)**

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 _____ X no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes _____ X none reported

2. Material weakness(es) identified? _____ yes _____ X no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? _____ yes _____ X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
11-495-034-5120-011	Special Education Aid
11-495-034-5095-002	Reimbursed TPAF Social Security
11-495-034-5120-473	Extraordinary Aid
11-495-034-5095-006	On behalf Post Retirement Medical

**BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(continued)**

Section II - Financial Statement Findings

Finding 2011-1: The District ended the year with a deficit in fund balance. The deficit was not a direct result of a delay in the last State Aid payment, therefore, the District was in violation of New Jersey statute and corrective action is required.

Criteria or Specific Requirement: In accordance with N.J.A.C. 6A:23A-16.10, a board of education shall implement controls to prevent overexpenditures and deficits in Fund Balance.

Condition: Expenditures were made in excess of available funds for various budgetary line items resulting in a year-end deficit in the General Fund Balance.

Context: Several errors were made during the processing of transactions without proper reconciliations.

Effect: Year-end deficit in Fund Balance and overexpenditure of numerous budgetary line items.

Cause: Lack of proper controls to ensure that all financial transactions were recorded in the accounting records.

Recommendation: That the Board take corrective action to eliminate the deficit

Views of Responsible Officials and Planned Corrective Actions: Management is in agreement and a corrective action plan has been formulated in conjunction with the County Superintendent of Schools overseeing the plan.

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

No matters were reported.

**BOROUGH OF ELMWOOD PARK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Status of Prior Year Findings

Corrective action was taken on all prior year findings.