

**TOWNSHIP OF MOUNT LAUREL  
SCHOOL DISTRICT  
MOUNT LAUREL, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2011**

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
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## INTRODUCTORY SECTION



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**Assistant Superintendent for Business/Board Secretary**  
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October 28, 2011

Honorable President and  
Members of the Board of Education  
Township of Mount Laurel School District  
County of Burlington, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Township of Mount Laurel School 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 School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of OMB Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations," and the State Treasury Circular Letter 04-04 OMB, "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, is included in the single audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:** The Township of Mount Laurel School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All major funds of the District are included in this report. The Township of Mount Laurel School District 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 8. These include regular, as well as special education for handicapped students. The District's average daily enrollment for 2010-11 was 4,302. The following details the changes in the student enrollment of the District over the last ten years.

**1) REPORTING ENTITY AND ITS SERVICES (CONT'D):**

**Average Daily Enrollment**

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-11	4,302	-0.94%
2009-10	4,343	-0.13%
2008-09	4,348	-1.40%
2007-08	4,410	-2.14%
2006-07	4,506	-0.74%
2005-06	4,540	-0.75%
2004-05	4,574	-0.02%
2003-04	4,575	-0.77%
2002-03	4,610	3.28%
2001-02	4,464	2.41%

**2) ECONOMIC CONDITIONS AND OUTLOOK:** Commercial development, population and residential housing construction within the Township have remained relatively unchanged over the past couple of years. The Township's population has more than tripled over the past 25 years. The latest official census of 2000 recorded the population at 40,221 residents.

**3) MAJOR INITIATIVES AND ACCOMPLISHMENTS:** Major initiatives and accomplishments for 2010-2011 in the academic, instructional and operational programs include the following:

Community support from our seven Parent-Teacher Organizations and the Mount Laurel Public Education Fund Inc. allowed district to restore clubs and extra-curricular activities for students in all schools following previous budget reductions.

Our Community Education Program served 1,080 registrants in summer programs for all ages, including 908 students in summer day camps and enrichment programs.

Our Child Study Team Services offered an extended school year to 312 students with special needs in pre-school through eighth-grade.

Curriculum revisions were undertaken and completed in the district's Mathematics and Science Curriculum.

Eighteen of our teachers underwent extensive training in Understanding By Design, and will turnkey this professional development to peers during our November in-service days.

Maintained low class sizes, well within established board policy, in all grade levels, despite budgetary restrictions.

The Greater Philadelphia Newspaper Group named Mount Laurel School District Best Workplace in New Jersey for the second consecutive year.

A Harrington Middle School student was named one of 200 regional winners in the Kohl's Kids Who Care Scholarship Program.

Three Hartford School students and two Harrington School students were recognized for outstanding achievement in the Johns Hopkins Center for Talented Youth (CTY) Talent Search.

Harrington Middle School Science Teacher Maureen Barrett was awarded the 2010 Excellence in Environmental Education Award

Six awards were given to Mount Laurel students, Kindergarten through 4th grade for grand-prize wins in the 2010-2011 "Get Fired Up for Literacy" contest.

### **3) MAJOR INITIATIVES AND ACCOMPLISHMENTS (CONT'D):**

Nine Harrington Middle School students were selected for membership in the All South Jersey Orchestra and Band.

Seven Harrington Middle School and four Hartford School students were selected for membership in the Olympic Conference Honors Band.

Seventeen Harrington Middle School students were recognized for their participation in Odyssey of the Mind.

Four students were recognized for participation in the Delaware Valley Science Fair.

Seven Harrington students were recognized for participation in the Burlington County Youth Achievers Science Fair and seventeen students were recognized for participation in the Coriell Science Fair.

One Hartford School 6th -grade student was recognized for being a state representative in the National Geography Bee.

Fifteen members, three coaches and five managers of the Harrington Middle School boys' basketball team were recognized for their championship season.

Mount Laurel Schools received a \$15,000 grant from Lockheed Martin through its Computers for Schools Program to begin two Science, Math and Technology Education (STEM) courses in Hartford and Harrington Schools.

**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 accounting principles generally accepted in the United States of America (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 is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

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

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

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

**7) FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

**8) CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, 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 failed banking institutions in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**9) RISK MANAGEMENT:** The District carries various forms of insurance, including but not limited to workers compensation insurance, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

A professional appraisal firm is retained by the District to provide up-to-date insurable values of equipment, property and buildings.

The District is a member of the Burlington County Insurance Pool - Joint Insurance Fund.

**10) INDEPENDENT AUDIT:** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements, required supplemental information and supplemental information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**11) ACKNOWLEDGEMENTS:** The preparation of this report would not have been possible without the dedication and skill of the Business Office staff. We would also like to express our appreciation to the members of the Township of Mount Laurel School District Board of Education for their support in providing a sound financial operation.

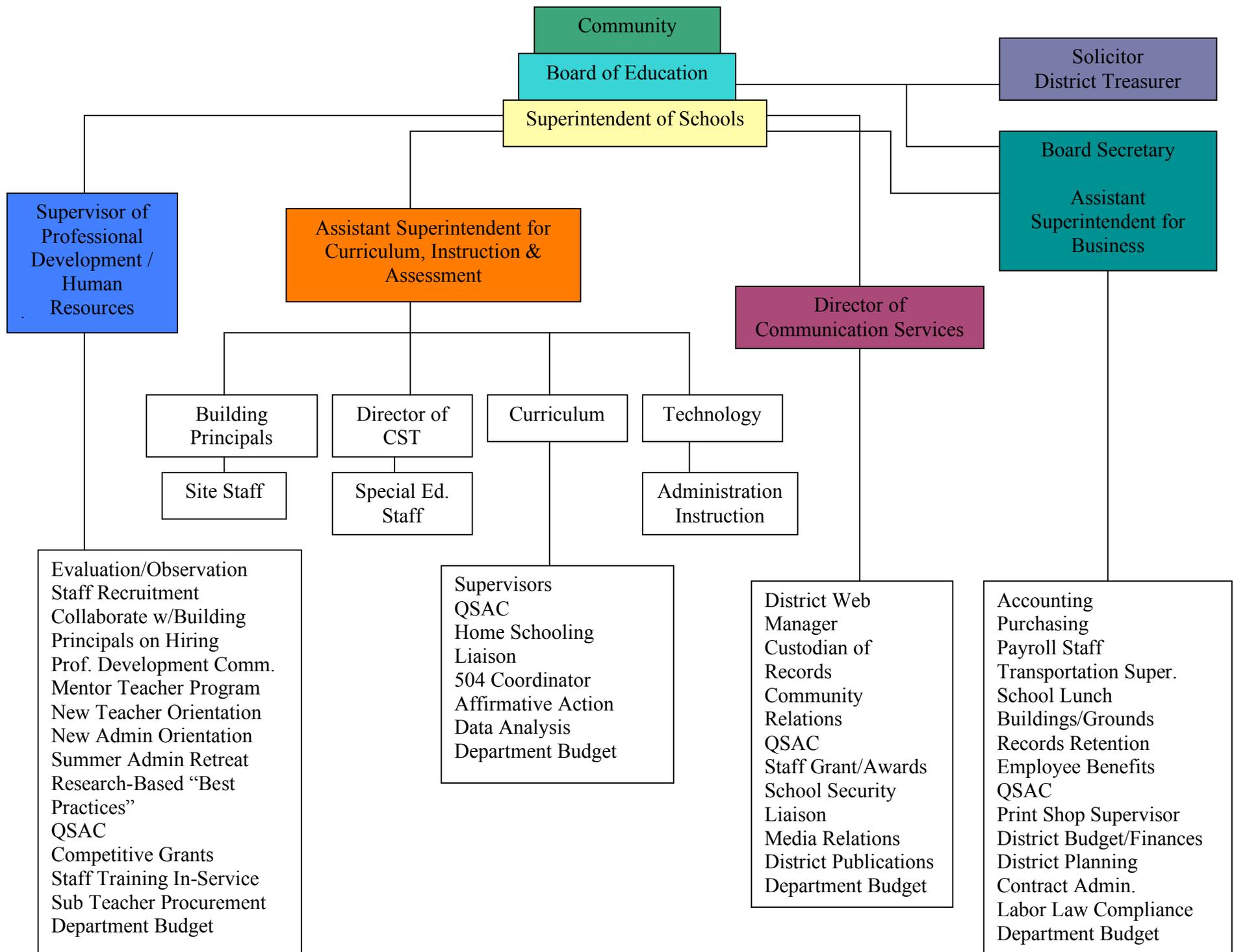
Respectfully submitted,



Antoinette Rath, Ed. D.  
Superintendent



Robert F. Wachter Jr.  
Assistant Superintendent for Business/  
Board Secretary



**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

**MOUNT LAUREL, NEW JERSEY 08054**

**ROSTER OF OFFICIALS**

**June 30, 2011**

<b><u>MEMBERS OF THE BOARD OF EDUCATION</u></b>	<b><u>TERM EXPIRES</u></b>
Ronald F. Frey, President	2012
Margaret L. Haynes, Vice President	2014
Diane Blair	2014
Christine Dickson	2014
Michael Gallagher	2013
Marc Jones	2013
Scott Jones	2013
Joanne Pelly	2012
Maureen Sojka	2012

**OTHER OFFICIALS**

Dr. Antoinette Rath, Superintendent

Dr. Sharon A. Vitella, Assistant Superintendent

Robert F. Wachter, Jr., Assistant Superintendent for Business / Board Secretary

Barbara Krumpe, Treasurer of School Funds

Frank Cavallo, Solicitor

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

**MOUNT LAUREL, NEW JERSEY 08054**

**CONSULTANTS AND ADVISORS**

**June 30, 2011**

**AUDIT FIRM**

Bowman & Company LLP  
Certified Public Accountants & Consultants  
6 North Broad Street, Suite 201  
Woodbury, New Jersey 08096

**ATTORNEY**

Frank Cavallo  
Parker McCay P.A.  
Three Greentree Centre  
7001 Lincoln Drive West  
P.O. Box 974  
Marlton, New Jersey 08053

**OFFICIAL DEPOSITORY**

Beneficial Bank  
4522 Church Road  
Mount Laurel, New Jersey 08054

TD Bank  
201 Ark Road  
Mount Laurel, New Jersey 08054

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Mount Laurel School District  
Mount Laurel, New Jersey 08054

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Township of Mount Laurel School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Mount Laurel School District'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 in compliance with 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 School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Mount Laurel School District in the County of Burlington, State of New Jersey as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal 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 October 28, 2011 on our consideration of the Township of Mount Laurel School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Mount Laurel School District's basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the basic financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and 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 and statistical sections 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.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigen  
Certified Public Accountant  
Public School Accountant No. CS 001112

Woodbury, New Jersey  
October 28, 2011

**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**

The Honorable President and  
Members of the Board of Education  
Township of Mount Laurel School District  
Mount Laurel, New Jersey 08054

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Mount Laurel School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated October 28, 2011. 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 in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

Management of the Township of Mount Laurel School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township of Mount Laurel School District'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 School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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

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

**Compliance and Other Matters**

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Public School Accountant No. CS 001112

Woodbury, New Jersey  
October 28, 2011

REQUIRED SUPPLEMENTARY INFORMATION  
PART I

## TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited)

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The Management's Discussion and Analysis (MD&A) of the Township of Mount Laurel School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements, and financial statements to enhance their understanding of the School District's financial performance.

### Financial Highlights

- The total assets of the Township of Mount Laurel School District exceeded its total liabilities at the close of the most recent fiscal year by \$29,307,936.19 (net assets).
- The Township of Mount Laurel School District's total net assets increased by \$532,659.06.
- The Township of Mount Laurel School District's total Long Term Obligations decreased by \$1,083,953.55

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township of Mount Laurel School District's basic financial statements. The Township of Mount Laurel School District's basic financial statements comprise three components: (1) district-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements themselves.

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

The statement of net assets presents information on all of the Township of Mount Laurel School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township of Mount Laurel School District is improving or deteriorating.

The statement of activities presents information showing how the Township of Mount Laurel School District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick leave).

Both of the district-wide financial statements distinguish functions of the Township of Mount Laurel School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township of Mount Laurel School District include the education of students in grades K-8 at the Township of Mount Laurel School District's eight schools. The business-type activities of the Township of Mount Laurel School District include a food service program.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

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

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

The Township of Mount Laurel School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund

The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Also, the Township of Mount Laurel School District adopts an annual budget for its general fund, special revenue fund, and debt service fund. Budgetary comparison schedules have been provided for both to demonstrate compliance with the budgets.

**Proprietary Funds** - The Township of Mount Laurel School District maintains one type of proprietary fund. Enterprise funds, which are a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services, are used to report the same functions presented as business-type activities in the district-wide financial statements. The Township of Mount Laurel School District uses an enterprise fund to account for its food service and daycare programs.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the food service and daycare programs.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the Township of Mount Laurel School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statement** - The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

**District-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Township of Mount Laurel School District, assets exceeded liabilities by \$29,307,936.19 at the close of the most recent fiscal year. The table below provides a summary of the School District's net assets for 2011 and 2010.

Mount Laurel Township School District Net Assets		
	June 30, 2011	June 30, 2010
Current and Other Assets	\$ 12,083,886.24	\$ 12,749,587.75
Capital Assets	<u>56,906,874.44</u>	<u>56,329,704.62</u>
Total Asset	<u>68,990,760.68</u>	<u>69,079,292.37</u>
Long-term Liabilities	34,617,392.47	35,701,346.02
Other Liabilities	<u>5,065,432.02</u>	<u>4,602,669.22</u>
Total Liabilities	<u>39,682,824.49</u>	<u>40,304,015.24</u>
<b>Net Assets</b>		
Invested in Capital Assets, net of related debt	20,926,612.12	19,506,516.90
Restricted	7,284,786.77	8,269,748.58
Unrestricted	<u>1,096,537.30</u>	<u>999,011.65</u>
Total Net Assets	<u><u>\$ 29,307,936.19</u></u>	<u><u>\$ 28,775,277.13</u></u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2011

(Unaudited) (Cont'd)

The table below reflects changes in net assets for 2011 and 2010

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 2,240,271.47	\$ 2,177,076.05
Operating grants and contributions	6,575,947.49	6,743,614.40
General Revenues		
Property taxes	54,619,564.00	53,914,796.00
State and Federal Aid	3,667,301.96	4,864,766.43
Other	359,619.81	344,473.88
<b>Total Revenues</b>	<u>67,462,704.73</u>	<u>68,044,726.76</u>
<b>Expenses</b>		
Governmental activities		
Instruction:		
Regular	21,560,497.25	21,899,412.23
Special education	7,635,313.68	7,484,076.15
Other special education	788,842.20	881,768.50
Other instruction	266,350.21	391,642.75
Support Services:		
Tuition	1,117,817.57	937,529.57
Student & instruction related services	5,249,015.92	5,969,481.46
General administration	900,332.29	1,020,466.61
School Administrative services	1,994,375.33	2,136,754.29
Central Services	868,022.24	881,595.63
Administrative information technology	559,215.10	530,636.65
Plant operations and maintenance	5,007,669.10	5,001,521.19
Pupil transportation	3,357,015.61	3,222,447.86
Unallocated Benefits	13,588,057.22	12,305,823.29
Special Schools	409,943.37	413,192.62
Interest on long-term debt	1,551,077.63	1,581,197.56
Unallocated depreciation	462,212.00	519,769.00
Total governmental activities expenses	<u>65,315,756.72</u>	<u>65,177,315.36</u>
Business-type activities:		
Food service	1,190,859.19	1,166,576.04
Child Care	415,437.25	453,475.52
Total business-type activities expense	<u>1,606,296.44</u>	<u>1,620,051.56</u>
<b>Total Expenses</b>	<u>66,922,053.16</u>	<u>66,797,366.92</u>
Special Items	(7,992.51)	(53,138.34)
Net Increase / Decrease in Net Assets	532,659.06	1,194,221.50
Net Assets Beginning of Year	28,775,277.13	27,581,055.63
End of Year Net Assets	<u>\$ 29,307,936.19</u>	<u>\$ 28,775,277.13</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

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**Governmental-Type Activities**

- There was an increase of \$319,245.91 or 1.17% increase in governmental activities net assets.
- Property taxes increased \$704,768.00 or 1.31% from the prior year. Most of this increase is the product of funding general fund services and programs. Property taxes had increased by \$701,691.00 or 1.32% from the 08-09 to the 09-10 school year.
- State and Federal Aid general revenue decrease by \$1,197,464.47 or -24.62%.
- Total Expenses (GASB level) increased \$124,686.24 or 0.19% from the prior year. Some staff positions were cut, however an increase in salaries as per employment contracts and higher employee benefit costs contributed to the increase in expenses. Employee benefits went from \$8,245,927.41 in 09-10 to \$9,317,113.01 in 10-11.
- Total Expenses increased \$2,219,137.22 or 3.44% from the 08-09 to the 09-10 school year. Health benefits had increased by \$536,527.65 from the 08-09 to the 09-10 school year.

**Business-Type Activities**

- There was an increase of \$213,413.15 or 14.73% in business-type activities net assets.
- Expenses for food service activities increased by \$24,283.15, revenues increased by \$5,531.96.
- Expenses for daycare activities services decreased by \$38,038.27, revenues increased by \$36,712.35.

**General Fund Budgetary Highlights**

During the course of the 2011 fiscal year, the Township of Mount Laurel School District modified its general fund budget numerous times. The net change in the total budget modification primarily resulted from the rollover of the prior year's encumbrances.

The final budgetary basis revenue was \$54,774,856.00.

During fiscal year 2011, the Township of Mount Laurel School District budgeted \$51,911,410.00 and \$2,839,448.00 for property taxes (local tax levy) and state aid revenues, respectively. The Township of Mount Laurel School District also received \$2,173,204.82 and \$1,946,100.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditure appropriation was \$60,156,313.10 compared to the original estimate of \$59,983,949.00.

The Township of Mount Laurel School District's expenditures also include the reimbursed TPAF Social Security Aid and T.P.A.F. Pension Contributions of \$2,173,204.82 and \$1,946,100.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

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**Financial Analysis of the Government's Funds**

As stated earlier, the Township of Mount Laurel School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the Township of Mount Laurel School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township of Mount Laurel School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Township of Mount Laurel School District's governmental funds reported combined ending fund balances of \$8,619,846.10, a decrease of \$946,905.14 in comparison with the prior year.

Of the combined ending fund balances of \$8,619,846.10, \$1,335,059.33 constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed. For example; to liquidate contracts and purchase orders of the prior period (\$117,981.43).

The general fund is the main operating fund of the Township of Mount Laurel School District. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,335,059.33, while total fund balance was \$7,823,194.86.

The fund balance of the Township of Mount Laurel School District's general fund at June 30, 2011 fund decrease by \$780,057.65 over the previous year.

The debt service fund has a total fund balance of \$227,788.18. Fund balance at June 30, 2011 increased by \$35,576.47 in comparison to the fund balance at the prior year end.

The capital projects fund had fund balance of \$568,863.06 at the end of the current fiscal year. This was a decrease of \$202,423.96 in comparison to the prior fiscal year.

**Proprietary Funds** - The Township of Mount Laurel School District's proprietary funds provide the same type of information found in the district-wide financial statements, but in more detail.

Unrestricted net assets consisted of the following: \$377,234.50 for the food service program and \$1,176,532.34 for the daycare program. Other factors concerning the finance of this fund have already been addressed in the discussion of the Township of Mount Laurel School District's business-type activities.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

**Capital Asset and Debt Administration**

**Capital Assets** - The Township of Mount Laurel School District's investment in capital assets for its governmental and business-type activities as of June 30, 2011 amounts to \$20,926,612.12 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

Major capital asset events during the fiscal year were discussed in the previous paragraph.

<b>Township of Mount Laurel School District</b>		
Capital Assets as of June 30, 2011 and 2010		
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Land	\$ 4,095,400.00	\$ 4,095,400.00
Land Improvements	2,643,712.00	2,643,712.00
Building & Bldg Improvements	83,365,176.96	80,815,176.96
Equipment	12,477,395.05	12,387,633.93
Total Capital Assets	102,581,684.01	99,941,922.89
Less: Accumulated Depreciation	(45,674,809.57)	(43,612,218.27)
<b>Net Capital Assets</b>	<b>\$ 56,906,874.44</b>	<b>\$ 56,329,704.62</b>

Additional information on the Township of Mount Laurel School District's capital assets can be found in Note 6.

**Long-term Debt** - At the end of the current fiscal year, the Township of Mount Laurel School District had total bonded debt outstanding of \$33,188,000.00. The entire Township of Mount Laurel School District's bonded debt is governmental as opposed to business-type. Bonds mature all the way to 2019.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2011  
(Unaudited) (Cont'd)

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**Economic Factors and Next Year's Budget**

For the 2010-11 school year, the Township of Mount Laurel School District was able to sustain its budget through property taxes, federal and state aid, and miscellaneous revenue sources.

One of the most important factors affecting the Township of Mount Laurel School District's budget is state aid. The 2011-12 budget was adopted March 2011 based in part on the state aid the Township of Mount Laurel School District anticipates receiving. This aid was based on the district's enrollment as of October 15, 2010. Budgeted revenue from state aid is \$594,632.00 higher than the prior year.

Any reduction of state aid and increase in expenditures will put an additional burden on the taxpayers of Mount Laurel.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Robert F. Wachter, Jr. Assistant Superintendent for Business/Board Secretary at:

Township of Mount Laurel School District  
330 Mount Laurel Road  
Mount Laurel, New Jersey 08054

## BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Net Assets  
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 7,189,034.28	\$ 1,597,950.61	\$ 8,786,984.89
Receivables, net	903,686.11	25,251.98	928,938.09
Interfunds Receivable	72,000.00		72,000.00
Inventory		24,343.03	24,343.03
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,156,886.75		1,156,886.75
Bond Issuance Costs	244,321.26		244,321.26
Deferred Loss on Defeasance	870,412.22		870,412.22
Capital Assets, net (Note 6)	<u>56,798,873.03</u>	<u>108,001.41</u>	<u>56,906,874.44</u>
<b>Total Assets</b>	<u>67,235,213.65</u>	<u>1,755,547.03</u>	<u>68,990,760.68</u>
<b>LIABILITIES:</b>			
Accounts Payable	657,355.03	4,000.00	661,355.03
Interfunds Payable		72,000.00	72,000.00
Payable to Federal Government	508.00		508.00
Payable to State Government	8,542.50		8,542.50
Deferred Revenue	25,120.00	17,778.78	42,898.78
Outstanding Bonds and Coupons	10,235.51		10,235.51
Noncurrent Liabilities (Note 7):			
Due within One Year	4,269,892.20		4,269,892.20
Due beyond One Year	<u>34,617,392.47</u>		<u>34,617,392.47</u>
<b>Total Liabilities</b>	<u>39,589,045.71</u>	<u>93,778.78</u>	<u>39,682,824.49</u>
<b>NET ASSETS:</b>			
Invested in Capital Assets, Net of Related Debt	20,818,610.71	108,001.41	20,926,612.12
Restricted for:			
Debt Service	227,788.18		227,788.18
Capital Projects	918,863.06		918,863.06
Other Purposes	6,138,135.53		6,138,135.53
Unrestricted (Deficit)	<u>(457,229.54)</u>	<u>1,553,766.84</u>	<u>1,096,537.30</u>
<b>Total Net Assets</b>	<u>\$ 27,646,167.94</u>	<u>\$ 1,661,768.25</u>	<u>\$ 29,307,936.19</u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2011

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 21,560,497.25	\$ 341,543.90	\$ 589,585.01		\$ (20,629,368.34)		\$ (20,629,368.34)
Special Education	7,635,313.68		599,999.20		(7,035,314.48)		(7,035,314.48)
Other Special Instruction	788,842.20				(788,842.20)		(788,842.20)
Other Instruction	266,350.21				(266,350.21)		(266,350.21)
Support Services:							
Tuition	1,117,817.57				(1,117,817.57)		(1,117,817.57)
Student and Instruction Related Services	5,249,015.92		296,530.33		(4,952,485.59)		(4,952,485.59)
General Administrative Services	900,332.29				(900,332.29)		(900,332.29)
School Administrative Services	1,994,375.33				(1,994,375.33)		(1,994,375.33)
Central Services	868,022.24				(868,022.24)		(868,022.24)
Administrative Information Technology	559,215.10				(559,215.10)		(559,215.10)
Plant Operations and Maintenance	5,007,669.10				(5,007,669.10)		(5,007,669.10)
Pupil Transportation	3,357,015.61	8,479.20			(3,348,536.41)		(3,348,536.41)
Unallocated Benefits	13,588,057.22		4,119,304.82		(9,468,752.40)		(9,468,752.40)
Special Schools	409,943.37	423,928.01			13,984.64		13,984.64
Interest on Long-Term Debt	1,551,077.63		631,122.00		(919,955.63)		(919,955.63)
Unallocated Depreciation	462,212.00				(462,212.00)		(462,212.00)
<b>Total Governmental Activities</b>	<b>65,315,756.72</b>	<b>773,951.11</b>	<b>6,236,541.36</b>	<b>-</b>	<b>(58,305,264.25)</b>	<b>-</b>	<b>(58,305,264.25)</b>
<b>Business-Type Activities:</b>							
Food Service	1,190,859.19	847,696.80	339,406.13			\$ (3,756.26)	(3,756.26)
Daycare	415,437.25	618,623.56				203,186.31	203,186.31
<b>Total Business-Type Activities</b>	<b>1,606,296.44</b>	<b>1,466,320.36</b>	<b>339,406.13</b>	<b>-</b>	<b>-</b>	<b>199,430.05</b>	<b>199,430.05</b>
<b>Total Primary Government</b>	<b>\$ 66,922,053.16</b>	<b>\$ 2,240,271.47</b>	<b>\$ 6,575,947.49</b>	<b>\$ -</b>	<b>(58,305,264.25)</b>	<b>199,430.05</b>	<b>(58,105,834.20)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes Levied for General Purposes					51,256,979.00		51,256,979.00
Property Taxes Levied for Debt Service					3,362,585.00		3,362,585.00
Federal and State Aid Not Restricted					3,617,810.42		3,617,810.42
Federal and State Aid Restricted					49,491.54		49,491.54
Miscellaneous Income					345,636.71	13,983.10	359,619.81
Special Item:							
Loss on Disposal of Capital Assets					(7,992.51)		(7,992.51)
<b>Total General Revenues and Special Item</b>					<b>58,624,510.16</b>	<b>13,983.10</b>	<b>58,638,493.26</b>
<b>Change in Net Assets</b>					<b>319,245.91</b>	<b>213,413.15</b>	<b>532,659.06</b>
<b>Net Assets -- July 1</b>					<b>27,326,922.03</b>	<b>1,448,355.10</b>	<b>28,775,277.13</b>
<b>Net Assets -- June 30</b>					<b>\$ 27,646,167.94</b>	<b>\$ 1,661,768.25</b>	<b>\$ 29,307,936.19</b>

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

FUND FINANCIAL STATEMENTS

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Balance Sheet  
Governmental Funds  
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 7,539,034.28		\$ 781,016.67	\$ 25,870.08	\$ 8,345,921.03
Accounts Receivable					
Federal	13,486.57	\$ 345,070.01			358,556.58
State	545,129.53				545,129.53
Interfunds Receivable	408,019.51			212,153.61	620,173.12
<b>Total Assets</b>	<b>\$ 8,505,669.89</b>	<b>\$ 345,070.01</b>	<b>\$ 781,016.67</b>	<b>\$ 238,023.69</b>	<b>\$ 9,869,780.26</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 657,355.03				\$ 657,355.03
Outstanding Bond and Coupons				\$ 10,235.51	10,235.51
Interfunds Payable		\$ 336,019.51	\$ 212,153.61		548,173.12
Payable to Federal Government		508.00			508.00
Payable to State Government		8,542.50			8,542.50
Deferred Revenue	25,120.00				25,120.00
<b>Total Liabilities</b>	<b>682,475.03</b>	<b>345,070.01</b>	<b>212,153.61</b>	<b>10,235.51</b>	<b>1,249,934.16</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	350,000.00				350,000.00
Excess Surplus - Current Year	2,571,404.10				2,571,404.10
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	1,522,279.73				1,522,279.73
Other Purposes	75,175.02				75,175.02
Debt Service Fund				227,788.18	227,788.18
Capital Projects Fund			568,863.06		568,863.06
<b>Assigned:</b>					
Other Purposes	117,981.43				117,981.43
Designated for Subsequent Year's Expenditures	1,851,295.25				1,851,295.25
Unassigned	1,335,059.33				1,335,059.33
<b>Total Fund Balances</b>	<b>7,823,194.86</b>	<b>-</b>	<b>568,863.06</b>	<b>227,788.18</b>	<b>8,619,846.10</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,505,669.89</b>	<b>\$ 345,070.01</b>	<b>\$ 781,016.67</b>	<b>\$ 238,023.69</b>	

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 \$102,322,317.96, and the accumulated depreciation is \$45,523,444.93.

56,798,873.03

Bond Issuance costs  
Deferred Loss on Defeasance

244,321.26  
870,412.22

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(38,887,284.67)

Net assets of governmental activities

\$ 27,646,167.94

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 51,256,979.00			\$ 3,362,585.00	\$ 54,619,564.00
Other Restricted Miscellaneous Revenues	423,928.01				423,928.01
Unrestricted Miscellaneous Revenues	652,019.16		\$ 9,729.65		661,748.81
State Sources	7,682,864.05	\$ 26,787.00		631,122.00	8,340,773.05
Federal Sources	88,162.19	1,508,819.08			1,596,981.27
<b>Total Revenues</b>	<b>60,103,952.41</b>	<b>1,535,606.08</b>	<b>9,729.65</b>	<b>3,993,707.00</b>	<b>65,642,995.14</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	19,371,093.88	589,585.01			19,960,678.89
Special Education Instruction	6,946,435.68	599,999.20			7,546,434.88
Other Special Instruction	788,842.20				788,842.20
Other Instruction	266,350.21				266,350.21
Support Services and Undistributed Costs:					
Tuition	1,117,817.57				1,117,817.57
Student and Instruction Related Services	4,952,485.59	296,530.33			5,249,015.92
General Administrative Services	900,332.29				900,332.29
School Administrative Services	1,905,496.53				1,905,496.53
Central Services	868,022.24				868,022.24
Administrative Information Technology	559,215.10				559,215.10
Plant Operations and Maintenance	5,007,669.10				5,007,669.10
Pupil Transportation	3,394,904.47				3,394,904.47
Unallocated Benefits	13,436,417.83				13,436,417.83
Special Schools	409,943.37				409,943.37
Debt Service:					
Principal				3,062,662.59	3,062,662.59
Interest and Other Charges	105,153.00			1,433,138.55	1,538,291.55
Capital Outlay	3,078,314.00	49,491.54	-		3,127,805.54
<b>Total Expenditures</b>	<b>63,108,493.06</b>	<b>1,535,606.08</b>	<b>-</b>	<b>4,495,801.14</b>	<b>69,139,900.28</b>
Excess (Deficiency) of Revenues over Expenditures	(3,004,540.65)	-	9,729.65	(502,094.14)	(3,496,905.14)
<b>OTHER FINANCING SOURCES (USES):</b>					
Capital Leases (Non-Budgeted)	2,550,000.00				2,550,000.00
Operating Transfers In				537,670.61	537,670.61
Operating Transfers Out	(325,517.00)		(212,153.61)		(537,670.61)
<b>Total Other Financing Sources and Uses</b>	<b>2,224,483.00</b>	<b>-</b>	<b>(212,153.61)</b>	<b>537,670.61</b>	<b>2,550,000.00</b>
<b>Net Change in Fund Balances</b>	<b>(780,057.65)</b>	<b>-</b>	<b>(202,423.96)</b>	<b>35,576.47</b>	<b>(946,905.14)</b>
Fund Balance -- July 1	8,603,252.51	-	771,287.02	192,211.71	9,566,751.24
Fund Balance -- June 30	<u>\$ 7,823,194.86</u>	<u>\$ -</u>	<u>\$ 568,863.06</u>	<u>\$ 227,788.18</u>	<u>\$ 8,619,846.10</u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2011

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Total Net Change in Fund Balances - Governmental Funds	\$	(946,905.14)
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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	\$ (2,239,787.96)	
Capital Outlays	<u>3,127,805.54</u>	888,017.58

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		3,062,662.59
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Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets. Capital Lease Proceeds		(2,550,000.00)
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In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		40,687.68
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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 (+).		<u>(175,216.80)</u>
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Change in Net Assets of Governmental Activities	\$	<u><u>319,245.91</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Net Assets  
Proprietary Funds  
June 30, 2011

	Business-Type Activities - Enterprise Funds		
	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
<b>ASSETS:</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 425,238.93	\$ 1,172,711.68	\$ 1,597,950.61
Accounts Receivable:			
State	1,955.74		1,955.74
Federal	19,475.58		19,475.58
Other		3,820.66	3,820.66
Inventories	<u>24,343.03</u>		<u>24,343.03</u>
Total Current Assets	<u>471,013.28</u>	<u>1,176,532.34</u>	<u>1,647,545.62</u>
<b>Noncurrent Assets:</b>			
Furniture, Machinery and Equipment	259,366.05		259,366.05
Less Accumulated Depreciation	<u>(151,364.64)</u>		<u>(151,364.64)</u>
Total Noncurrent Assets	<u>108,001.41</u>	<u>-</u>	<u>108,001.41</u>
Total Assets	<u>579,014.69</u>	<u>1,176,532.34</u>	<u>1,755,547.03</u>
<b>LIABILITIES :</b>			
<b>Current Liabilities:</b>			
Accounts Payable	4,000.00		4,000.00
Interfund Payable - General Fund	72,000.00		72,000.00
Deferred Revenue	<u>17,778.78</u>		<u>17,778.78</u>
Total Current Liabilities	<u>93,778.78</u>	<u>-</u>	<u>93,778.78</u>
<b>NET ASSETS:</b>			
Invested in Capital Assets, Net of Related Debt	108,001.41		108,001.41
Unrestricted	<u>377,234.50</u>	<u>1,176,532.34</u>	<u>1,553,766.84</u>
Total Net Assets	<u>\$ 485,235.91</u>	<u>\$ 1,176,532.34</u>	<u>\$ 1,661,768.25</u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities - Enterprise Fund		
	Food Service	Daycare	Total
<b>OPERATING REVENUES:</b>			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 500,313.79		\$ 500,313.79
Daily Sales - Non-Reimbursable Programs	322,909.52		322,909.52
Other Miscellaneous	24,473.49		24,473.49
DayCare Fees		\$ 618,623.56	618,623.56
<b>Total Operating Revenues</b>	<b>847,696.80</b>	<b>618,623.56</b>	<b>1,466,320.36</b>
<b>OPERATING EXPENSES:</b>			
Salaries	498,244.04	395,149.19	893,393.23
Employee Benefits	34,799.49		34,799.49
Supplies and Materials	32,347.85	20,288.06	52,635.91
Cost of Sales	506,463.49		506,463.49
Management Fee	47,599.22		47,599.22
Insurance	17,138.72		17,138.72
Office Supplies	1,882.11		1,882.11
Auto Expense	2,553.17		2,553.17
Protomotional	191.04		191.04
Service Contracts	24,312.90		24,312.90
Miscellaneous	3,901.94		3,901.94
Professional Fees	8,000.00		8,000.00
Depreciation	13,425.22		13,425.22
<b>Total Operating Expenses</b>	<b>1,190,859.19</b>	<b>415,437.25</b>	<b>1,606,296.44</b>
<b>Operating Income (Loss)</b>	<b>(343,162.39)</b>	<b>203,186.31</b>	<b>(139,976.08)</b>
<b>NONOPERATING REVENUES:</b>			
State Sources:			
State School Lunch Program	14,804.29		14,804.29
Federal Sources:			
National School Lunch Program	253,876.60		253,876.60
Food Distribution Program	70,725.24		70,725.24
Interest and Investment Revenue	1,970.57	12,012.53	13,983.10
<b>Total Nonoperating Revenues</b>	<b>341,376.70</b>	<b>12,012.53</b>	<b>353,389.23</b>
<b>Change in Net Assets</b>	<b>(1,785.69)</b>	<b>215,198.84</b>	<b>213,413.15</b>
<b>Total Net Assets -- July 1</b>	<b>487,021.60</b>	<b>961,333.50</b>	<b>1,448,355.10</b>
<b>Total Net Assets -- June 30</b>	<b>\$ 485,235.91</b>	<b>\$ 1,176,532.34</b>	<b>\$ 1,661,768.25</b>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds		
	Food Service	Daycare	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 850,708.20	\$ 620,071.29	\$ 1,470,779.49
Payments to Employees	(426,244.04)	(395,149.19)	(821,393.23)
Payments for Employee Benefits	(34,799.49)		(34,799.49)
Payments to Suppliers	(425,237.33)	(20,288.06)	(445,525.39)
Payments to Others	(190,230.36)		(190,230.36)
Net Cash Provided by (used for) Operating Activities	<u>(225,803.02)</u>	<u>204,634.04</u>	<u>(21,168.98)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Federal and State Sources	<u>271,277.52</u>		<u>271,277.52</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>271,277.52</u>	<u>-</u>	<u>271,277.52</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Purchase of Capital Assets	<u>(15,730.00)</u>		<u>(15,730.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(15,730.00)</u>	<u>-</u>	<u>(15,730.00)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest and Dividends	<u>1,970.57</u>	<u>12,012.53</u>	<u>13,983.10</u>
Net Cash Provided by (used for) Investing Activities	<u>1,970.57</u>	<u>12,012.53</u>	<u>13,983.10</u>
Net Increase (Decrease) in Cash and Cash Equivalents	31,715.07	216,646.57	248,361.64
Cash and Cash Equivalents -- July 1	<u>393,523.86</u>	<u>956,065.11</u>	<u>1,349,588.97</u>
Cash and Equivalents -- June 30	<u>\$ 425,238.93</u>	<u>\$ 1,172,711.68</u>	<u>\$ 1,597,950.61</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$(343,162.39)	\$ 203,186.31	\$ (139,976.08)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	13,425.22		13,425.22
Food Distribution Program	70,725.24		70,725.24
(Increase) Decrease in Inventories	10,444.21		10,444.21
(Increase) Decrease in Other Current Assets	671.47	1,447.73	2,119.20
Increase (Decrease) in Other Current Liabilities	<u>22,093.23</u>		<u>22,093.23</u>
Total Adjustments	<u>117,359.37</u>	<u>1,447.73</u>	<u>118,807.10</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (225,803.02)</u>	<u>\$ 204,634.04</u>	<u>\$ (21,168.98)</u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2011

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 385,558.77	\$ 102,969.16	\$ 260,841.71
Total Assets	<u>385,558.77</u>	<u>102,969.16</u>	<u>260,841.71</u>
<b>LIABILITIES:</b>			
Payable to Student Groups Payroll Deductions and Withholdings	_____	102,969.16	260,841.71
Total Liabilities	<u>-</u>	<u>\$ 102,969.16</u>	<u>\$ 260,841.71</u>
<b>NET ASSETS:</b>			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 385,558.77</u>		

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended June 30, 2011

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	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 402,340.59
Total Contributions	<u>402,340.59</u>
Investment Earnings:	
Interest	<u>1,608.28</u>
Net Investment Earnings	<u>1,608.28</u>
Total Additions	<u>403,948.87</u>
DEDUCTIONS:	
Unemployment Claims	182,911.10
Total Deductions	<u>182,911.10</u>
Change in Net Assets	221,037.77
Net Assets -- July 1	<u>164,521.00</u>
Net Assets -- June 30	<u><u>\$ 385,558.77</u></u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2011

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Reporting Entity** - The Township of Mount Laurel School District (hereafter referred to as the "School District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades K-8 at its eight schools. The School District has an approximate enrollment at June 30, 2011 of 4,337.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units** - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The following organizations are considered component units; however, the School District has determined that they are not significant and, therefore, have not been included in the basic financial statements:

Mount Laurel Public Education Fund, Inc.  
P.O. Box 1304  
Mount Laurel, New Jersey 08054

Requests for financial information should be addressed to the organization listed above.

**Basis of Presentation** - The financial statements of the 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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities, and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this Note.

The School District's basic financial statements consist of government-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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Basis of Presentation (Cont'd)**

**District-wide Financial Statements** - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds and component units fiduciary in nature. The statements distinguish between those activities of the School District 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 School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. 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, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, 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 School District.

**Fund Financial Statements** - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically 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 School District's major governmental funds:

**General Fund** - The general fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District 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 which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Governmental Funds (Cont'd)**

**Special Revenue Fund** - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition of construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**Permanent Fund** - The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students as a whole. The School District does not maintain a permanent fund.

**Proprietary Funds** - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those found in the private sector.

**Enterprise Funds** - The Enterprise Funds are used to account for operations:

1. that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or
2. where the School District has decided that periodic determination of revenues earned, expenses incurred, and / or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District's Enterprise Funds are:

**Food Service Fund** - This fund accounts for the financial transactions related to the food service operations of the School District.

**Daycare Fund** - This fund accounts for financial activity related to providing day care services for School District students before school, after school, and during the summer camp.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Proprietary Funds (Cont'd)** – All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Pension trust funds are used to account for resources held in trust for employees and their beneficiaries based on defined benefit pension agreements, defined contribution agreements, other postemployment benefit agreements, and other employee benefit arrangements. Investment trust funds are used to report the external portion of an investment pool as defined in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The School District has three fiduciary funds; *an unemployment compensation trust fund, a student activity fund and payroll fund.*

**Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

**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 government-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.

Like the government-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 School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the 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. For the School District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its School District the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, 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 fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. Restricted formula aids, which include *Preschool Education Aid*, are recorded in the special revenue fund in accordance with The *Audit Program* promulgated by the New Jersey Department of Education, which requires that these grants be realized in an amount equal to program expenditures.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: tuition, grants, fees, and rentals.

**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 fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement 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 governmental funds.

**Budgets / Budgetary Control** - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Budgets / Budgetary Control (Cont'd)** – Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2 and Exhibit I-3 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis, with the exception of the revenue recognition policy for the one or more June state aid payments.

**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. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on 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.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Cash, Cash Equivalents and Investments (Cont'd)** - 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 units shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

**Tuition Receivable** - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2011 and 2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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

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

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (non-allocation method). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

**Deferred Expenditures** – Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure / expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring costs of operations.

**Short-Term Interfund Receivables / Payables** - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and / or interfunds payable.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Capital Assets (Cont'd)** – All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of 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 Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

**Accrued Salaries and Wages** – Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2011, the amounts earned by these employees were disbursed to the employees own individual credit union accounts.

**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 School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

**Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund 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 judgments, 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 normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**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 School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Fund Balance** – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spend. The School District's classifications, and policies for determining such classifications, are as follows:

**Nonspendable** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

**Restricted** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

**Committed** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

**Assigned** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

**Unassigned** - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Operating and Non-Operating Revenues and Expenses** - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service program and fees for the daycare program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Non-operating expenses principally include expenses attributable to the School District's food service and daycare funds.

**Interfund Activity** - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

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

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2011, the School District's bank balances of \$11,642,211.48 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 734,140.15
Collateralized by securities held by the pledging financial institution	10,908,071.33
Collateralized by securities held by the pledging financial institution's trust department or agent but not in the depositor- government's name	-
Total	<u>\$ 11,642,211.48</u>

**Note 2: CASH AND CASH EQUIVALENTS (CONT'D)**

**New Jersey Cash Management Fund** - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2011, the School District's deposits with the New Jersey Cash Management Fund are \$304,888.55.

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District by inclusion of \$1.00 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 School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a school 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 fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either 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	\$ 325,517.00	
Increased by:		
Board Resolution	<u>350,000.00</u>	
		\$ 675,517.00
Decreased by:		
Transfer to Debt Service Fund per 10-11 budget		<u>325,517.00</u>
Ending Balance June 30, 2011		<u>\$ 350,000.00</u>

The LRFP balance of local support costs of uncompleted projects at June 30, 2011 is in excess of \$350,000. The withdrawals from the capital reserve were for use in a DOE approved facilities projects, consistent with the School District's LRFP.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts Receivables at June 30, 2011 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Receivables:					
Intergovernmental	\$ 558,616.10	\$ 345,070.01	\$ 21,431.32		\$ 925,117.43
Other			3,820.66		3,820.66
Total	<u>\$ 558,616.10</u>	<u>\$ 345,070.01</u>	<u>\$ 25,251.98</u>	<u>\$ -</u>	<u>\$ 928,938.09</u>

**Note 5: INVENTORY**

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

Food	\$ 10,120.75
Food - Commodities	9,204.80
Supplies	<u>5,017.48</u>
	<u>\$ 24,343.03</u>

**Note 6: CAPITAL ASSETS**

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

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
<b>Governmental Activities:</b>				
Land	\$ 4,095,400.00			\$ 4,095,400.00
Total Capital Assets not being Depreciated	4,095,400.00	-	-	4,095,400.00
Land Improvements	2,643,712.00			2,643,712.00
Building and Improvements	80,815,176.96	\$ 2,550,000.00		83,365,176.96
Equipment	12,113,117.00	272,645.51	\$ (167,733.51)	12,218,029.00
Total Historical Cost	99,667,405.96	2,822,645.51	(167,733.51)	102,322,317.96
Less Accumulated Depreciation:				
Land Improvements	(2,085,411.00)	(85,179.00)		(2,170,590.00)
Building and Improvements	(31,776,589.97)	(1,777,575.96)		(33,554,165.93)
Equipment	(9,581,397.00)	(377,033.00)	159,741.00	(9,798,689.00)
Total Accumulated Depreciation	(43,443,397.97)	(2,239,787.96)	159,741.00	(45,523,444.93)
Governmental Activities Capital Assets, Net	\$ 56,224,007.99	\$ 582,857.55	\$ (7,992.51)	\$ 56,798,873.03
<b>Business-Type Activities:</b>				
Equipment	\$ 274,516.93	\$ 15,730.00		\$ 290,246.93
Less Accumulated Depreciation	(168,820.30)	(13,425.22)		(182,245.52)
Business-Type Activities Capital Assets, Net	\$ 105,696.63	\$ 2,304.78	\$ -	\$ 108,001.41

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

Instruction - Regular	\$ 1,599,818.36
Instruction - Special Education	88,878.80
School Administration Services	88,878.80
Unallocated	462,212.00
Total Depreciation Expense	<u>\$ 2,239,787.96</u>

**Note 7: LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2011, the following changes occurred in long-term obligations:

	Principal Outstanding July 1, 2010	Additions	Reductions	Principal Outstanding June 30, 2011	Amounts Due within One Year
Governmental Activities:					
General Obligation Bonds	\$ 35,883,000.00		\$ (2,695,000.00)	\$ 33,188,000.00	\$ 2,840,000.00
Loan Payable	1,470,649.97		(367,662.59)	1,102,987.38	367,662.59
Obligations under Capital Lease	189,352.70	\$ 2,550,000.00	(343,048.89)	2,396,303.81	296,067.23
Compensated Absences	1,640,649.48	151,639.40		1,792,288.88	358,457.77
Accrued Interest	448,392.29	407,704.61	(448,392.29)	407,704.61	407,704.61
Deferred Amount on refunding of ERIP Liability	100,260.37		(100,260.37)		
Governmental Activity Long-term Liabilities	<u>\$ 39,732,304.81</u>	<u>\$ 3,109,344.01</u>	<u>\$ (3,954,364.14)</u>	<u>\$ 38,887,284.67</u>	<u>\$ 4,269,892.20</u>

**Bonds Payable** - Bonds and loans 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 School District are general obligation bonds.

Principal and interest due on bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,840,000.00	\$ 1,294,141.26	\$ 4,134,141.26
2013	2,920,000.00	1,177,388.76	4,097,388.76
2014	3,350,000.00	1,050,176.26	4,400,176.26
2015	3,915,000.00	891,160.63	4,806,160.63
2016	4,190,000.00	723,357.50	4,913,357.50
2017-2020	<u>15,973,000.00</u>	<u>1,212,981.25</u>	<u>17,185,981.25</u>
	<u>\$ 33,188,000.00</u>	<u>\$ 6,349,205.66</u>	<u>\$ 39,537,205.66</u>

**New Jersey Economic Development Loan**

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 367,662.59	\$ 13,687.35	\$ 381,349.94
2013	367,662.59	8,272.41	375,935.00
2014	<u>367,662.20</u>	<u>2,757.47</u>	<u>370,419.67</u>
	<u>\$ 1,102,987.38</u>	<u>\$ 24,717.23</u>	<u>\$ 1,127,704.61</u>

**Note 7: LONG-TERM OBLIGATIONS (CONT'D)**

**Bonds Authorized But Not Issued** – As of June 30, 2011, the School District had no authorizations to issue additional bonded debt.

**Compensated Absences** - Compensated absences will be paid from the fund from which the employees' salaries are paid.

**Capital Leases Payable** - The School District is leasing buses, solar panels and computer equipment totaling \$2,912,499.16 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.

<b><u>Year Ending June 30.</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2012	\$ 296,067.23	\$ 66,148.76	\$ 362,215.99
2013	610,236.58	54,278.77	664,515.35
2014	480,000.00	38,591.00	518,591.00
2015	495,000.00	26,159.00	521,159.00
2016	<u>515,000.00</u>	<u>13,338.50</u>	<u>528,338.50</u>
	<u>\$ 2,396,303.81</u>	<u>\$ 198,516.03</u>	<u>\$ 2,594,819.84</u>

**Note 8: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295

**Teachers' Pension and Annuity Fund** - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955 under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

**Note 8: PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund Cont'd** -Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

**Public Employees' Retirement System** - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contribution, equal to the required contribution for each fiscal year, was as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2011	\$ 382,426.00	\$ 509,095.00	\$ 891,521.00	\$ 891,521.00
2010	330,967.00	322,930.00	653,897.00	653,897.00
2009	292,535.00	266,825.00	559,360.00	559,360.00

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

<u>Fiscal Year</u>	<u>Paid by School District</u>
2011	\$ 757.52

**Note 9: POST-RETIREMENT BENEFITS**

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in Fiscal Year 2010.

**Note 10: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for NCGI premiums and post-retirement costs were \$87,504 and \$1,858,596, respectively.

**Note 11: RISK MANAGEMENT**

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

**New Jersey Unemployment Compensation Insurance** - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School</u> <u>District</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2011	\$ 300,000.00	\$ 134,645.30	\$ 385,558.77
2010	-	93,688.88	164,521.00
2009	-	49,620.01	193,725.78

**Note 11: RISK MANAGEMENT (CONT'D)**

**Joint Insurance Pool** - The School District is a member of the Burlington County Insurance Pool Joint Insurance Fund.

The Fund provides the School District with the following coverage:

Property, Inland Marine and Automobile Physical Damages  
Boiler and Machinery  
Crime  
General and Automobile Liability  
Workers' Compensation  
Educator's Legal Liability  
Pollution Legal Liability

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

The Fund publishes its own financial report for the year ended June 30, 2011 which can be obtained from the following address:

Burlington County Insurance Pool Joint Insurance Fund  
P.O. Box 449  
Marlton, New Jersey 08053

**Note 12: DEFERRED COMPENSATION**

The School District offers its employees a choice of six (6) deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Fidelity  
Equitable  
Valic  
Lincoln Investment  
Tom Sealy Investment  
Prudential

**Note 13: COMPENSATED ABSENCES**

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

School District employees are granted vacation and sick leave in varying amounts under the School District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin accumulating and vesting upon commencement of employment. The School District shall pay each employee retiring from the School District for each accumulated unused sick day in accordance with the School District's schedule up to a maximum of 200 days.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences in the governmental fund type was \$1,792,288.88. As of June 30, 2011 no liability for compensated absences in proprietary fund type exists.

**Note 14: INTERFUND BALANCES AND TRANSFERS**

The following interfund balances were recorded on the various balance sheets as of June 30, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 408,019.51	
Special Revenue		\$ 336,019.51
Capital Projects		212,153.61
Debt Service	212,153.61	
Proprietary		72,000.00
	<u>\$ 620,173.12</u>	<u>\$ 620,173.12</u>

**Note 15: OPERATING LEASES**

At June 30, 2011 the School District had operating lease agreements in effect for computer equipment and copy machines. The future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Amount</u>
2012	\$ 174,322.08
2013	174,322.08
2014	29,053.68

Rental payments under operating leases for the fiscal year ended June 30, 2011 were \$178,756.92

**Note 16: FUND BALANCES****RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**General Fund -**

**For Capital Reserve Account** - As of June 30, 2011, the balance in the capital reserve account is \$350,000.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of 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 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 \$2,571,404.10. Additionally, \$1,522,279.73 of excess fund balance generated during 2009-2010 has been restricted and designated for utilization in the 2011-2012 budget.

**Capital Projects Fund** – The School District had issued general obligation bonds for various capital projects. The bonds were approved by the voters of the School District at special elections. As of June 30, 2011, the restricted fund balance amount was \$568,863.06.

**Debt Service Fund** – Interest earnings on bond proceeds are to be utilized to payback any outstanding debt service obligations of the School District. As of June 30, 2011, the restricted fund balance amount was \$227,788.18.

**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

**General Fund -**

**Other Purposes** - As of June 30, 2011, the School District had \$117,981.43 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2012 \$1,851,295.25 of general fund balance at June 30, 2011.

**UNASSIGNED**

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

**General Fund** - As of June 30, 2011, \$1,335,059.33 of general fund balance was unassigned.

**Note 17: LITIGATION**

The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION  
PART II

BUDGETARY COMPARISON SCHEDULES

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 51,256,979.00	\$ -	\$ 51,256,979.00	\$ 51,256,979.00	\$ -
Other Restricted Miscellaneous Revenues	492,431.00	-	492,431.00	423,928.01	(68,502.99)
Unrestricted Miscellaneous Revenues	162,000.00	-	162,000.00	685,930.16	523,930.16
<b>Total - Local Sources</b>	<b>51,911,410.00</b>	<b>-</b>	<b>51,911,410.00</b>	<b>52,366,837.17</b>	<b>455,427.17</b>
State Sources:					
Extraordinary Aid		-		404,809.00	404,809.00
Categorical Special Education Aid	2,147,189.00	-	2,147,189.00	2,147,189.00	-
Categorical Security Aid	324,179.00	-	324,179.00	324,179.00	-
Categorical Transportation Aid	368,080.00	-	368,080.00	368,080.00	-
Nonpublic Transportation Aid	-	-		34,210.23	34,210.23
On-Behalf T.P.A.F. Pension Contributions Post Retirement (non-budgeted)	-	-		1,946,100.00	1,946,100.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-		2,173,204.82	2,173,204.82
<b>Total - State Sources</b>	<b>2,839,448.00</b>	<b>-</b>	<b>2,839,448.00</b>	<b>7,397,772.05</b>	<b>4,558,324.05</b>
Federal Sources:					
SEMI Medicaid Program	23,998.00	-	23,998.00	54,251.19	30,253.19
<b>Total - Federal Sources</b>	<b>23,998.00</b>	<b>-</b>	<b>23,998.00</b>	<b>54,251.19</b>	<b>30,253.19</b>
<b>Total Revenues</b>	<b>54,774,856.00</b>	<b>-</b>	<b>54,774,856.00</b>	<b>59,818,860.41</b>	<b>5,044,004.41</b>
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	46,300.00	-	46,300.00	36,539.88	9,760.12
Kindergarten	1,409,665.00	(206,239.00)	1,203,426.00	877,477.49	325,948.51
Grades 1-5	10,811,025.00	115,336.00	10,926,361.00	10,926,359.26	1.74
Grades 6-8	6,665,535.00	-	6,665,535.00	6,654,791.99	10,743.01
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000.00	13,679.00	58,679.00	58,678.50	0.50
Purchased Professional - Educational Services	105,000.00	77,224.00	182,224.00	182,223.24	0.76
Regular Programs - Undistributed Instruction:					
General Supplies	621,750.00	110,937.34	732,687.34	517,482.64	215,204.70
Textbooks	84,850.00	5,267.86	90,117.86	37,033.22	53,084.64
Other Objects	102,650.00	-	102,650.00	80,507.66	22,142.34
<b>Total Regular Programs - Instruction</b>	<b>19,891,775.00</b>	<b>116,205.20</b>	<b>20,007,980.20</b>	<b>19,371,093.88</b>	<b>636,886.32</b>
Special Education Instruction - Learning and/or Language Disabilities:					
Salaries of Teachers					
Salaries of Teachers	394,400.00	(29,945.00)	364,455.00	337,319.15	27,135.85
Other Salaries for Instruction	279,961.00	-	279,961.00	188,200.65	91,760.35
General Supplies	2,500.00	-	2,500.00	-	2,500.00
<b>Total Learning and/or Language Disabilities</b>	<b>676,861.00</b>	<b>(29,945.00)</b>	<b>646,916.00</b>	<b>525,519.80</b>	<b>121,396.20</b>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONT'D):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Special Education Instruction - (Cont'd):					
Auditory Impairments:					
Salaries of Teachers	\$ 58,150.00	\$ -	\$ 58,150.00	\$ 57,975.00	\$ 175.00
General Supplies	250.00	-	250.00	-	250.00
Total Auditory Impairments	58,400.00	-	58,400.00	57,975.00	425.00
Behavioral Disabilities:					
Salaries of Teachers	169,100.00	(85,928.00)	83,172.00	62,281.44	20,890.56
Other Salaries for Instruction	74,767.00	-	74,767.00	60,124.59	14,642.41
General Supplies	2,000.00	-	2,000.00	-	2,000.00
Total Behavioral Disabilities	245,867.00	(85,928.00)	159,939.00	122,406.03	37,532.97
Multiple Disabilities:					
Salaries of Teachers	106,150.00	14,868.00	121,018.00	120,876.12	141.88
Other Salaries for Instruction	152,654.00	8,252.00	160,906.00	160,439.62	466.38
Total Multiple Disabilities	258,804.00	23,120.00	281,924.00	281,315.74	608.26
Resource Room / Resource Center:					
Salaries of Teachers	3,240,100.00	97,699.00	3,337,799.00	3,273,601.08	64,197.92
Other Salaries for Instruction	1,066,709.00	(60,831.00)	1,005,878.00	1,005,129.38	748.62
General Supplies	15,000.00	-	15,000.00	-	15,000.00
Total Resource Room / Resource Center	4,321,809.00	36,868.00	4,358,677.00	4,278,730.46	79,946.54
Autism:					
Salaries of Teachers	338,325.00	(67,737.00)	270,588.00	238,625.42	31,962.58
Other Salaries for Instruction	394,470.00	60,831.00	455,301.00	437,329.88	17,971.12
General Supplies	2,000.00	-	2,000.00	-	2,000.00
Total Autism	734,795.00	(6,906.00)	727,889.00	675,955.30	51,933.70
Preschool Disabilities - Part Time:					
Salaries of Teachers	522,675.00	71,730.00	594,405.00	594,403.42	1.58
Other Salaries for Instruction	397,379.00	12,751.00	410,130.00	410,129.93	0.07
General Supplies	10,000.00	(10,000.00)	-	-	-
Total Preschool Disabilities - Part Time	930,054.00	74,481.00	1,004,535.00	1,004,533.35	1.65
Total Special Education - Instruction	7,226,590.00	11,690.00	7,238,280.00	6,946,435.68	291,844.32
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	648,525.00	(11,690.00)	636,835.00	623,745.00	13,090.00
Total Basic Skills / Remedial - Instruction	648,525.00	(11,690.00)	636,835.00	623,745.00	13,090.00

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONT'D):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 174,450.00	\$ -	\$ 174,450.00	\$ 165,097.20	\$ 9,352.80
Total Bilingual Education - Instruction	174,450.00	-	174,450.00	165,097.20	9,352.80
School Sponsored Cocurricular Activities - Instruction:					
Salaries	78,000.00	-	78,000.00	74,617.48	3,382.52
Supplies and Materials	3,000.00	-	3,000.00	-	3,000.00
Total School Sponsored Cocurricular Activities - Instruction	81,000.00	-	81,000.00	74,617.48	6,382.52
School Sponsored Athletics - Instruction:					
Salaries	91,081.00	-	91,081.00	89,081.00	2,000.00
Purchased Services (300-500 series)	13,450.00	(2,055.00)	11,395.00	5,689.00	5,706.00
Supplies and Materials	6,784.00	-	6,784.00	6,664.18	119.82
Other Objects	3,800.00	-	3,800.00	3,244.00	556.00
Total School Sponsored Athletics - Instruction	115,115.00	(2,055.00)	113,060.00	104,678.18	8,381.82
Other Instructional Programs - Instruction:					
Salaries	45,000.00	2,055.00	47,055.00	47,054.55	0.45
Purchased Services (300-500 series)	40,000.00	-	40,000.00	40,000.00	-
Total Other Instructional Programs - Instruction	85,000.00	2,055.00	87,055.00	87,054.55	0.45
Total Instruction	28,222,455.00	116,205.20	28,338,660.20	27,372,721.97	965,938.23
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Special	94,274.00	48,704.00	142,978.00	142,978.00	-
Tuition to CSSD and Regional Day Schools	387,456.00	(32,261.00)	355,195.00	355,194.60	0.40
Tuition to Private Schools for the Disabled - Within State	623,519.00	(27,650.00)	595,869.00	591,008.97	4,860.03
Tuition - Other	17,429.00	11,207.00	28,636.00	28,636.00	-
Total Undistributed Expenditures - Instruction	1,122,678.00	-	1,122,678.00	1,117,817.57	4,860.43

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
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 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONT'D):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Undistributed Expenditures - Health Services:					
Salaries	\$ 598,318.00	\$ 85,315.00	\$ 683,633.00	\$ 683,632.93	\$ 0.07
Purchased Professional and Technical Services	139,560.00	469.00	140,029.00	139,653.93	375.07
Supplies and Materials	17,000.00	(469.00)	16,531.00	13,895.90	2,635.10
Other Objects	7,000.00	-	7,000.00	-	7,000.00
Total Undistributed Expenditures - Health Services	<u>761,878.00</u>	<u>85,315.00</u>	<u>847,193.00</u>	<u>837,182.76</u>	<u>10,010.24</u>
Undistributed Expenditures - Other Support Services -					
Students - Related Services:					
Salaries	716,450.00	-	716,450.00	683,387.75	33,062.25
Supplies and Materials	500.00	-	500.00	-	500.00
Total Undistributed Expenditures - Other Support Services -					
Students - Related Services	<u>716,950.00</u>	<u>-</u>	<u>716,950.00</u>	<u>683,387.75</u>	<u>33,562.25</u>
Undistributed Expenditures - Other Support Services -					
Students - Regular:					
Salaries of Other Professional Staff	709,458.00	(92,763.00)	616,695.00	599,886.50	16,808.50
Salaries of Secretarial and Clerical Assistants	86,304.00	7,448.00	93,752.00	93,751.40	0.60
Other Purchased Services	45,500.00	-	45,500.00	41,487.50	4,012.50
Supplies and Materials	12,385.00	-	12,385.00	3,045.03	9,339.97
Total Undistributed Expenditures - Other Support Services -					
Students - Regular	<u>853,647.00</u>	<u>(85,315.00)</u>	<u>768,332.00</u>	<u>738,170.43</u>	<u>30,161.57</u>
Undistributed Expenditures - Other Support Services -					
Students - Special:					
Salaries of Other Professional Staff	1,290,223.00	-	1,290,223.00	1,150,648.55	139,574.45
Salaries of Secretarial and Clerical Assistants	149,008.00	-	149,008.00	148,187.45	820.55
Purchased Professional - Educational Services	11,500.00	-	11,500.00	5,348.75	6,151.25
Supplies and Materials	26,500.00	-	26,500.00	23,701.00	2,799.00
Other Objects	7,500.00	-	7,500.00	2,035.86	5,464.14
Total Undistributed Expenditures - Other Support Services -					
Students - Special:	<u>1,484,731.00</u>	<u>-</u>	<u>1,484,731.00</u>	<u>1,329,921.61</u>	<u>154,809.39</u>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	372,183.00	34,308.00	406,491.00	406,490.16	0.84
Salaries of Other Professional Staff	20,000.00	(1,560.00)	18,440.00	238.93	18,201.07
Salaries of Secretarial and Clerical Assistants	5,000.00	-	5,000.00	-	5,000.00
Supplies and Materials	20,500.00	-	20,500.00	1,697.09	18,802.91
Total Undistributed Expenditures - Improvement of Instruction Services	<u>417,683.00</u>	<u>32,748.00</u>	<u>450,431.00</u>	<u>408,426.18</u>	<u>42,004.82</u>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expend. - Educational Media Services / Sch Library:					
Salaries	\$ 693,378.00	\$ -	\$ 693,378.00	\$ 680,351.87	\$ 13,026.13
Supplies and Materials	102,250.00	8,424.87	110,674.87	81,935.77	28,739.10
Other Objects	27,720.00	-	27,720.00	-	27,720.00
<b>Total Undistributed Expend. - Educational Media Services / Sch Library</b>	<b>823,348.00</b>	<b>8,424.87</b>	<b>831,772.87</b>	<b>762,287.64</b>	<b>69,485.23</b>
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	120,423.00	(32,748.00)	87,675.00	85,727.60	1,947.40
Salaries of Other Professional Staff	38,400.00	20,398.00	58,798.00	58,797.50	0.50
Supplies and Materials	41,100.00	-	41,100.00	35,300.00	5,800.00
Other Objects	57,100.00	(20,398.00)	36,702.00	13,284.12	23,417.88
<b>Total Undistributed Expenditures - Instructional Staff Training Services:</b>	<b>257,023.00</b>	<b>(32,748.00)</b>	<b>224,275.00</b>	<b>193,109.22</b>	<b>31,165.78</b>
Undistributed Expenditures - Support Services - General Administration:					
Salaries	406,424.00	-	406,424.00	366,377.51	40,046.49
Legal Services	74,000.00	-	74,000.00	43,059.03	30,940.97
Audit Fees	54,000.00	-	54,000.00	49,100.00	4,900.00
Other Purchased Professional Services	45,725.00	-	45,725.00	44,637.55	1,087.45
Purchased Technical Services	19,400.00	-	19,400.00	12,266.00	7,134.00
Communications / Telephone	276,594.00	-	276,594.00	193,440.68	83,153.32
Other Purchased Services	199,250.00	-	199,250.00	126,274.91	72,975.09
General Supplies	45,000.00	-	45,000.00	20,097.84	24,902.16
Miscellaneous Expenditures	38,093.00	-	38,093.00	18,416.07	19,676.93
BOE Membership Dues and Fees	30,300.00	-	30,300.00	26,662.70	3,637.30
<b>Total Undistributed Expenditures - Support Services - General Admin</b>	<b>1,188,786.00</b>	<b>-</b>	<b>1,188,786.00</b>	<b>900,332.29</b>	<b>288,453.71</b>
Undistributed Expenditures - Support Services - School Admin:					
Salaries of Principals / Assistant Principals	1,347,560.00	(16,774.00)	1,330,786.00	1,217,888.66	112,897.34
Salaries of Secretarial and Clerical Assistants	596,281.00	16,774.00	613,055.00	613,054.34	0.66
Purchased Professional and Technical Services	20,000.00	-	20,000.00	-	20,000.00
Supplies and Materials	53,900.00	-	53,900.00	21,501.80	32,398.20
Other Objects	102,575.00	338.55	102,913.55	53,051.73	49,861.82
<b>Total Undistributed Expenditures - Support Services - School Admin.</b>	<b>2,120,316.00</b>	<b>338.55</b>	<b>2,120,654.55</b>	<b>1,905,496.53</b>	<b>215,158.02</b>
Undistributed Expenditures - Central Services					
Salaries	711,353.00	-	711,353.00	699,595.89	11,757.11
Purchased Professional Services	18,000.00	-	18,000.00	10,497.95	7,502.05
Purchased Technical Services	48,000.00	(5,000.00)	43,000.00	40,048.15	2,951.85
Supplies and Materials	25,000.00	-	25,000.00	22,431.93	2,568.07
Other Object	97,420.00	-	97,420.00	95,448.32	1,971.68
<b>Total Undistributed Expenditures - Central Services</b>	<b>899,773.00</b>	<b>(5,000.00)</b>	<b>894,773.00</b>	<b>868,022.24</b>	<b>26,750.76</b>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONT'D):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Undistributed Expenditures - Admin. Info. Technology					
Salaries	\$ 305,345.00	\$ (16,195.00)	\$ 289,150.00	\$ 286,812.42	\$ 2,337.58
Purchased Technical Services	231,100.00	113.00	231,213.00	221,762.40	9,450.60
Other Purchased Services	-	35,658.00	35,658.00	35,657.55	0.45
Supplies and Materials	25,000.00	(9,961.00)	15,039.00	14,982.73	56.27
Total Undistributed Expenditures - Admin. Info. Technology	561,445.00	9,615.00	571,060.00	559,215.10	11,844.90
Undistributed Expenditures - Allowable Maintenance for Sch Facilities:					
Salaries	443,122.00	(5,589.00)	437,533.00	437,289.10	243.90
Cleaning, Repair and Maintenance Services	388,800.00	(50,434.00)	338,366.00	333,302.19	5,063.81
General Supplies	146,575.00	(4,181.00)	142,394.00	140,884.79	1,509.21
Other Objects	39,100.00	22,419.00	61,519.00	61,517.71	1.29
Total Undistributed Expenditures - Allowable Maintenance for Sch Facilities	1,017,597.00	(37,785.00)	979,812.00	972,993.79	6,818.21
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	2,019,703.00	117,314.00	2,137,017.00	2,064,564.08	72,452.92
Purchased Prof and Technical Services	25,000.00	-	25,000.00	23,400.00	1,600.00
Cleaning, Repair, and maintenance Services Rental of Land and Buildings	-	5,000.00	5,000.00	4,963.01	36.99
Other Purchased Property Services	91,960.00	1,271.00	93,231.00	93,230.54	0.46
Insurance	125,335.00	(8,127.00)	117,208.00	103,448.00	13,760.00
General Supplies	157,000.00	29,593.00	186,593.00	186,592.94	0.06
Energy (Heat and Electricity)	1,765,385.00	(107,266.00)	1,658,119.00	1,558,476.74	99,642.26
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	4,184,383.00	37,785.00	4,222,168.00	4,034,675.31	187,492.69
Undistributed Expenditures - Student Transportation Services:					
Sal for Pupil Trans (Bet Home & Sch) - Reg.	996,952.00	(10,000.00)	986,952.00	878,094.46	108,857.54
Sal for Pupil Trans (Bet Home & Sch) - Sp Ed	720,173.00	-	720,173.00	639,247.99	80,925.01
Sal for Pupil Trans (Other than Bet. Home & Sch)	18,290.00	10,000.00	28,290.00	5,074.06	23,215.94
Social Security Contributions	56,782.00	-	56,782.00	27,343.93	29,438.07
Health Benefits	907,317.00	-	907,317.00	306,082.00	601,235.00
Other Purchased Professional and Technical Services	6,000.00	-	6,000.00	4,500.00	1,500.00
Cleaning, Repair and Maintenance Services	25,000.00	-	25,000.00	22,895.93	2,104.07
Lease Purchase Payments - School Buses	257,909.00	-	257,909.00	257,908.84	0.16
Contr Serv. - Aid in Lieu of Payments - Non Public Sch	178,676.00	(35,497.00)	143,179.00	139,365.89	3,813.11
Contracted Services - (Between Home and School) - Joint Agreement	208,000.00	(29,445.00)	178,555.00	178,554.40	0.60
Contracted Services (Special Education Students) - Vendors	16,500.00	-	16,500.00	-	16,500.00
Contracted Services (Special Education Students) - Joint Agreements	385,435.00	43,038.00	428,473.00	428,472.56	0.44
Miscellaneous Purchased Services - Transportation	76,451.00	-	76,451.00	76,451.00	-
Supplies and Materials	278,831.00	13,631.40	292,462.40	291,886.63	575.77
Miscellaneous Expenditures	130,443.00	9,144.60	139,587.60	139,026.78	560.82
Total Undistributed Expenditures - Student Transportation Services	4,262,759.00	872.00	4,263,631.00	3,394,904.47	868,726.53

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Unallocated Benefits:					
Social Security Contributions	\$ 811,910.00	\$ -	\$ 811,910.00	\$ 811,910.00	\$ -
Other Retirement Contributions - Regular	210,169.00	500,000.00	710,169.00	570,787.38	139,381.62
Health Benefits	8,671,149.00	(500,000.00)	8,171,149.00	7,885,424.63	285,724.37
Tuition Reimbursement	49,000.00	-	49,000.00	48,991.00	9.00
<b>Total Unallocated Benefits</b>	<b>9,742,228.00</b>	<b>-</b>	<b>9,742,228.00</b>	<b>9,317,113.01</b>	<b>425,114.99</b>
On-Behalf T.P.A.F. Pension Contributions Post Retirement (non-budgeted)	-	-	-	1,946,100.00	(1,946,100.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-	-	2,173,204.82	(2,173,204.82)
<b>Total On-behalf Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,119,304.82</b>	<b>(4,119,304.82)</b>
<b>Total Undistributed Expenditures</b>	<b>30,415,225.00</b>	<b>14,250.42</b>	<b>30,429,475.42</b>	<b>32,142,360.72</b>	<b>(1,712,885.30)</b>
<b>Total Current Expense</b>	<b>58,637,680.00</b>	<b>130,455.62</b>	<b>58,768,135.62</b>	<b>59,515,082.69</b>	<b>(746,947.07)</b>
Capital Outlay:					
Equipment:					
Grades 1-5	2,500.00	-	2,500.00	2,500.00	-
Grades 6-8	2,500.00	-	2,500.00	2,500.00	-
Undistributed Expenditures:					
General Administration	6,000.00	-	6,000.00	6,000.00	-
Undistributed expenditures - admin info tech	258,610.00	(31,606.00)	227,004.00	227,004.00	-
Required Maintenance for School Facilities	91,446.00	-	91,446.00	91,446.00	-
Student Transportation - Non-Instructional Equipment	-	-	-	-	-
Non-Instructional Service	41,000.00	37,633.00	78,633.00	78,633.00	-
<b>Total Equipment</b>	<b>402,056.00</b>	<b>6,027.00</b>	<b>408,083.00</b>	<b>408,083.00</b>	<b>-</b>
Facilities Acquisition and Construction Services					
Construction Services	84,500.00	35,731.00	120,231.00	120,231.00	-
Other Objects	105,153.00	-	105,153.00	105,153.00	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>189,653.00</b>	<b>35,731.00</b>	<b>225,384.00</b>	<b>225,384.00</b>	<b>-</b>
Capital Reserve Transfer to Debt Service	325,517.00	-	325,517.00	325,517.00	-
Assets Acquired Under Capital Leases (Non-Budgeted):					
Undistributed Expenditures:					
Solar Panels	-	-	-	2,550,000.00	(2,550,000.00)
<b>Total Assets Acquired Under Capital Leases (non-budgeted)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,550,000.00</b>	<b>(2,550,000.00)</b>
<b>Total Capital Outlay</b>	<b>917,226.00</b>	<b>41,758.00</b>	<b>958,984.00</b>	<b>3,508,984.00</b>	<b>(2,550,000.00)</b>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	\$ 213,913.00	\$ (31,780.00)	\$ 182,133.00	\$ 178,570.13	\$ 3,562.87
General Supplies	25,500.00	(10,934.00)	14,566.00	13,854.19	711.81
Other Objects	15,000.00	3,727.00	18,727.00	18,726.63	0.37
Total Summer School - Instruction	<u>254,413.00</u>	<u>(38,987.00)</u>	<u>215,426.00</u>	<u>211,150.95</u>	<u>4,275.05</u>
Accredited Evening / Adult High School - Instruction:					
Salaries of Teachers	63,537.00	34,101.00	97,638.00	91,177.25	6,460.75
General Supplies	15,522.00	11,496.48	27,018.48	27,017.71	0.77
Other Objects	35,000.00	(6,460.00)	28,540.00	22,145.41	6,394.59
Total Accredited Evening / Adult High School - Instruction	<u>114,059.00</u>	<u>39,137.48</u>	<u>153,196.48</u>	<u>140,340.37</u>	<u>12,856.11</u>
Accredited Evening / Adult High School - Support Services:					
Salaries	60,571.00	-	60,571.00	58,452.05	2,118.95
Total Accredited Evening / Adult High School - Support Services	<u>60,571.00</u>	<u>-</u>	<u>60,571.00</u>	<u>58,452.05</u>	<u>2,118.95</u>
Total Special Schools	<u>429,043.00</u>	<u>150.48</u>	<u>429,193.48</u>	<u>409,943.37</u>	<u>19,250.11</u>
Total Expenditures	<u>59,983,949.00</u>	<u>172,364.10</u>	<u>60,156,313.10</u>	<u>63,434,010.06</u>	<u>(3,277,696.96)</u>
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,209,093.00)</u>	<u>(172,364.10)</u>	<u>(5,381,457.10)</u>	<u>(3,615,149.65)</u>	<u>1,766,307.45</u>
Other Financing Sources (Uses):					
Capital Leases	-	-	-	2,550,000.00	2,550,000.00
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,550,000.00</u>	<u>2,550,000.00</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(5,209,093.00)</u>	<u>(172,364.10)</u>	<u>(5,381,457.10)</u>	<u>(1,065,149.65)</u>	<u>4,316,307.45</u>
Fund Balances, July 1	<u>9,127,598.51</u>	<u>-</u>	<u>9,127,598.51</u>	<u>9,127,598.51</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 3,918,505.51</u>	<u>\$ (172,364.10)</u>	<u>\$ 3,746,141.41</u>	<u>\$ 8,062,448.86</u>	<u>\$ 4,316,307.45</u>
Recapitulation:					
Restricted:					
Capital Reserve				\$ 350,000.00	
Excess Surplus - Current Year				2,571,404.10	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				1,522,279.73	
Other - Adult Education				75,175.02	
Assigned:					
Year-End Encumbrances				117,981.43	
Designated for Subsequent Year's Expenditures				1,851,295.25	
Unassigned				<u>1,574,313.33</u>	
				8,062,448.86	
Reconciliation to Governmental Funds Statements(GAAP):					
June 10-11 State Aid Payments Not Recognized on GAAP Basis				<u>(239,254.00)</u>	
				<u>\$ 7,823,194.86</u>	

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>REVENUES:</b>					
State Sources:					
NJ Non-Public Nursing	\$ 10,036.00	\$ (337.00)	\$ 9,699.00	\$ 9,699.00	\$ -
NJ Non-Public Textbook Aid	8,464.00	(1,132.00)	7,332.00	7,282.46	49.54
NJ Non-Public Chapter 192/193	<u>18,027.00</u>	<u>272.00</u>	<u>18,299.00</u>	<u>9,805.54</u>	<u>8,493.46</u>
Total - State Sources	<u>36,527.00</u>	<u>(1,197.00)</u>	<u>35,330.00</u>	<u>26,787.00</u>	<u>8,543.00</u>
Federal Sources:					
Title I	100,469.00	135,859.76	236,328.76	186,872.55	49,456.21
Title I SIA	-	382.00	382.00	-	382.00
Title IIA	65,375.00	79,572.23	144,947.23	102,181.59	42,765.64
Title IID	-	382.50	382.50	377.50	5.00
Title III	10,058.00	10,041.00	20,099.00	15,094.80	5,004.20
Title IV	-	13,457.00	13,457.00	11,185.59	2,271.41
I.D.E.I.A., Part B, Basic	731,390.00	328,156.34	1,059,546.34	962,321.07	97,225.27
I.D.E.I.A., Part B, Basic ARRA	-	189,311.76	189,311.76	151,737.25	37,574.51
I.D.E.I.A., Part B, Preschool	38,117.00	14,141.00	52,258.00	18,132.88	34,125.12
I.D.E.I.A., Part B, Preschool ARRA	<u>-</u>	<u>11,718.96</u>	<u>11,718.96</u>	<u>11,134.62</u>	<u>584.34</u>
Total - Federal Sources	<u>945,409.00</u>	<u>783,022.55</u>	<u>1,728,431.55</u>	<u>1,459,037.85</u>	<u>269,393.70</u>
Total Revenues	<u>\$ 981,936.00</u>	<u>\$ 781,825.55</u>	<u>\$ 1,763,761.55</u>	<u>\$ 1,485,824.85</u>	<u>\$ 277,936.70</u>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
Special Revenue Fund  
For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 841,917.00	\$ (484,739.00)	\$ 357,178.00	\$ 324,471.18	\$ 32,706.82
Purchased Professional and Technical Services	65,375.00	91,975.00	157,350.00	105,697.34	51,652.66
Other Purchased Services	-	667,203.19	667,203.19	651,424.68	15,778.51
Supplies and Materials	38,117.00	63,619.58	101,736.58	77,612.08	24,124.50
Textbooks	8,464.00	(1,132.00)	7,332.00	7,282.46	49.54
<b>Total Instruction</b>	<u>953,873.00</u>	<u>336,926.77</u>	<u>1,290,799.77</u>	<u>1,166,487.74</u>	<u>124,312.03</u>
Support Services:					
Salaries	-	26,000.00	26,000.00	-	26,000.00
Personal Services - Employee Benefits	-	124,052.00	124,052.00	59,578.00	64,474.00
Purchased Technical Services	10,036.00	225,397.44	235,433.44	210,907.04	24,526.40
Purchased Professional - Educational Services	18,027.00	1,359.41	19,386.41	8,417.80	10,968.61
Other Purchased Services (400-500 series)	-	30,327.00	30,327.00	16,412.73	13,914.27
<b>Total Support Services</b>	<u>28,063.00</u>	<u>407,135.85</u>	<u>435,198.85</u>	<u>295,315.57</u>	<u>139,883.28</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	-	37,762.93	37,762.93	24,021.54	13,741.39
<b>Total Facilities Acquisition and Construction Services</b>	<u>-</u>	<u>37,762.93</u>	<u>37,762.93</u>	<u>24,021.54</u>	<u>13,741.39</u>
<b>Total Expenditures</b>	<u>981,936.00</u>	<u>781,825.55</u>	<u>1,763,761.55</u>	<u>1,485,824.85</u>	<u>277,936.70</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ended June 30, 2011

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 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) "revenues" from the budgetary comparison schedules	\$ 59,818,860.41	\$ 1,485,824.85
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		none
Prior Year		49,781.23
The June 09-10 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	524,346.00	
The June 10-11 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(239,254.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 60,103,952.41</u>	<u>\$ 1,535,606.08</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 63,434,010.06	\$ 1,485,824.85
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		none
Prior Year		49,781.23
Capital Reserve Transfer to Debt Service	<u>(325,517.00)</u>	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 63,108,493.06</u>	<u>\$ 1,535,606.08</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2011

	<u>Total</u>	<u>N.C.L.B.</u>				<u>Total Carried Forward</u>
		<u>Title I</u>		<u>Title IIA</u>		
		<u>2010-2011</u>	<u>Carryover 2009-2010</u>	<u>2010-2011</u>	<u>Carryover 2009-2010</u>	
<b>REVENUES:</b>						
Federal Sources	\$ 1,459,037.85	\$ 123,035.55	\$ 63,837.00	\$47,444.28	\$54,737.31	\$ 1,169,983.71
State Sources	26,787.00					26,787.00
<b>Total Revenues</b>	<u>1,485,824.85</u>	<u>123,035.55</u>	<u>63,837.00</u>	<u>47,444.28</u>	<u>54,737.31</u>	<u>1,196,770.71</u>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	324,471.18	100,068.00				224,403.18
Purchased Professional and Technical Services	105,697.34	3,765.50	6,030.00	44,466.25	45,662.50	5,773.09
Other Purchased Services	651,424.68	18,786.35	32,639.13			599,999.20
Supplies & Materials	77,612.08	415.70	9,393.87	2,978.03	9,074.81	55,749.67
Textbooks	7,282.46					7,282.46
<b>Total Instruction</b>	<u>1,166,487.74</u>	<u>123,035.55</u>	<u>48,063.00</u>	<u>47,444.28</u>	<u>54,737.31</u>	<u>893,207.60</u>
Support Services:						
Personal Services - Employee Benefits	59,578.00		15,774.00			43,804.00
Purchased Technical Services	210,907.04					210,907.04
Purchased Professional - Educational Services	8,417.80					8,417.80
Other Purchased Services (400-500 series)	16,412.73					16,412.73
<b>Total Support Services</b>	<u>295,315.57</u>	<u>-</u>	<u>15,774.00</u>	<u>-</u>	<u>-</u>	<u>279,541.57</u>
Facilities Acquisition and Construction Services:						
Instructional Equipment	24,021.54					24,021.54
<b>Total Facilities Acquisition and Construction Services</b>	<u>24,021.54</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,021.54</u>
<b>Total Expenditures</b>	<u>\$ 1,485,824.85</u>	<u>\$ 123,035.55</u>	<u>\$ 63,837.00</u>	<u>\$ 47,444.28</u>	<u>\$ 54,737.31</u>	<u>\$ 1,196,770.71</u>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2011

	Total Carried Forward	N.C.L.B.				Total Brought Forward	
		Title IID		Title III			Title IV
		2010-2011	Carryover 2009-2010	2010-2011	Carryover 2009-2010		Carryover 2009-2010
<b>REVENUES:</b>							
Federal Sources	\$ 1,169,983.71	\$ 198.00	\$ 179.50	\$ 12,352.80	\$ 2,742.00	\$ 11,185.59	\$ 1,143,325.82
State Sources	26,787.00						26,787.00
<b>Total Revenues</b>	<b>1,196,770.71</b>	<b>198.00</b>	<b>179.50</b>	<b>12,352.80</b>	<b>2,742.00</b>	<b>11,185.59</b>	<b>1,170,112.82</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	224,403.18			12,352.80			212,050.38
Purchased Professional and Technical Services	5,773.09	198.00	179.50			5,395.59	-
Other Purchased Services	599,999.20						599,999.20
Supplies & Materials	55,749.67					5,790.00	49,959.67
Textbooks	7,282.46						7,282.46
<b>Total Instruction</b>	<b>893,207.60</b>	<b>198.00</b>	<b>179.50</b>	<b>12,352.80</b>	<b>-</b>	<b>11,185.59</b>	<b>869,291.71</b>
<b>Support Services:</b>							
Personal Services - Employee Benefits	43,804.00				2,742.00		41,062.00
Purchased Technical Services	210,907.04						210,907.04
Purchased Professional - Educational Services	8,417.80						8,417.80
Other Purchased Services (400-500 series)	16,412.73						16,412.73
<b>Total Support Services</b>	<b>279,541.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,742.00</b>	<b>-</b>	<b>276,799.57</b>
<b>Facilities Acquisition and Construction Services:</b>							
Instructional Equipment	24,021.54						24,021.54
<b>Total Facilities Acquisition and Construction Services</b>	<b>24,021.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,021.54</b>
<b>Total Expenditures</b>	<b>\$ 1,196,770.71</b>	<b>\$ 198.00</b>	<b>\$ 179.50</b>	<b>\$ 12,352.80</b>	<b>\$ 2,742.00</b>	<b>\$ 11,185.59</b>	<b>\$ 1,170,112.82</b>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2011

	Total Carried Forward	I.D.E.I.A. Part B, Basic			I.D.E.I.A. Part B, Preschool		Total Brought Forward
		<u>2010-2011</u>	<u>2009-2010</u> Carryover	<u>ARRA 2009-2010</u>	<u>2010-2011</u>	<u>ARRA 2009-2010</u>	
<b>REVENUES:</b>							
Federal Sources	\$ 1,143,325.82	\$928,034.39	\$ 34,286.68	\$ 151,737.25	\$ 18,132.88	\$11,134.62	\$ -
State Sources	<u>26,787.00</u>						<u>26,787.00</u>
Total Revenues	<u>1,170,112.82</u>	<u>928,034.39</u>	<u>34,286.68</u>	<u>151,737.25</u>	<u>18,132.88</u>	<u>11,134.62</u>	<u>26,787.00</u>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	212,050.38	199,554.38		12,496.00			-
Purchased Professional and Technical Services	-						-
Other Purchased Services	599,999.20	500,000.00		99,999.20			-
Supplies & Materials	49,959.67	19,102.75	3,412.42	10,944.26	5,365.62	11,134.62	-
Textbooks	<u>7,282.46</u>						<u>7,282.46</u>
Total Instruction	<u>869,291.71</u>	<u>718,657.13</u>	<u>3,412.42</u>	<u>123,439.46</u>	<u>5,365.62</u>	<u>11,134.62</u>	<u>7,282.46</u>
Support Services:							
Personal Services - Employee Benefits	41,062.00		32,262.00	8,800.00			-
Purchased Technical Services	210,907.04	187,918.03		626.25	12,663.76		9,699.00
Purchased Professional - Educational Services	8,417.80		(1,387.74)				9,805.54
Other Purchased Services (400-500 series)	<u>16,412.73</u>	<u>5,809.23</u>		<u>10,500.00</u>	<u>103.50</u>		<u>-</u>
Total Support Services	<u>276,799.57</u>	<u>193,727.26</u>	<u>30,874.26</u>	<u>19,926.25</u>	<u>12,767.26</u>	<u>-</u>	<u>19,504.54</u>
Facilities Acquisition and Construction Services:							
Instructional Equipment	<u>24,021.54</u>	<u>15,650.00</u>		<u>8,371.54</u>			
Total Facilities Acquisition and Construction Services	<u>24,021.54</u>	<u>15,650.00</u>	<u>-</u>	<u>8,371.54</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 1,170,112.82</u>	<u>\$ 928,034.39</u>	<u>\$ 34,286.68</u>	<u>\$ 151,737.25</u>	<u>\$ 18,132.88</u>	<u>\$ 11,134.62</u>	<u>\$ 26,787.00</u>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2011

	Total Carried Forward	NJ Non-Public Nursing 2010-2011	NJ Non-Public Textbook Aid 2010-2011	NJ Non-Public Chapter 192/193 2010-2011
<b>REVENUES:</b>				
Federal Sources				
State Sources	\$ 26,787.00	\$ 9,699.00	\$ 7,282.46	\$ 9,805.54
Total Revenues	<u>26,787.00</u>	<u>9,699.00</u>	<u>7,282.46</u>	<u>9,805.54</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of Teachers	-			
Purchased Professional and Technical Services	-			
Other Purchased Services	-			
Supplies & Materials	-			
Textbooks	7,282.46		7,282.46	
Total Instruction	<u>7,282.46</u>	<u>-</u>	<u>7,282.46</u>	<u>-</u>
Support Services:				
Personal Services - Employee Benefits	-			
Purchased Technical Services	9,699.00	9,699.00		
Purchased Professional - Educational Services	9,805.54			9,805.54
Other Purchased Services (400-500 series)	-			
Total Support Services	<u>19,504.54</u>	<u>9,699.00</u>	<u>-</u>	<u>9,805.54</u>
Facilities Acquisition and Construction Services:				
Instructional Equipment	-			
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 26,787.00</u>	<u>\$ 9,699.00</u>	<u>\$ 7,282.46</u>	<u>\$ 9,805.54</u>

CAPITAL PROJECTS FUND

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2011

<u>Project Title / Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Balance June 30, 2011</u>
			<u>Prior Years</u>	<u>Current Year</u>	
<p>Referendum Projects:</p> <p>A capital improvement program consisting of: (i) the completion of various renovations and improvements at the Countryside Elementary School, including the upgrading of the security, telecommunication, electrical, and heating, ventilation and air conditioning systems, replacement of windows and flooring and site improvements; (ii) the completion of various renovations and improvements at the Fleetwood Elementary School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems, replacement of windows and flooring and site improvements; (iii) the completion of various renovations and improvements at the Hillside Elementary School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems, replacement of windows and flooring, and site improvements; (iv) the completion of various renovations and improvements at the Parkway Elementary School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems, replacement of windows and flooring, and site improvements; (v) the completion of various renovations and improvements at the Larchmont Elementary School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems, replacement of windows and site improvements; (vi) the completion of various renovations and improvements at the Springville Elementary School, including the upgrading of the security and telecommunication system; (vii) the completion of various renovations and improvements at the Hartford School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems and replacement of flooring; (viii) the completion of various renovations and improvements at the Harrington Middle School, including the upgrading of the security, telecommunication, electrical and heating, ventilation and air conditioning systems and replacement of windows and flooring; (ix) the completion of various renovations and improvements at the Masonville Facility, including the upgrading of the telecommunication system; (x) the completion of various renovations and improvements at the Hattie Britt Administration Building, including replacement of windows and the upgrading of the security and telecommunication systems; (xi) the completion of such other work and improvements as may be necessary or desirable to make said renovations and improvements compatible with the existing facilities; (b) acquire furniture, fixtures and equipment for said renovations and improvements; ( c ) expend for all the foregoing an amount not to exceed \$27,054,393.40 (which expenditure shall be funded in part with a \$9,965,414.00 grant from the State, representing approximately 40% of the project's final eligible costs of \$24,913,535.00, as determined by the Commissioner of Education); and (d) issue bonds or other obligations of the School District for said project in an amount not to exceed \$17,088,979.40 representing the School District's local share of said project. In addition, the School District is authorized to issue an additional principal amount of school bonds in the amount of the State grant, on an interim basis, pending its receipt of the State grant moneys. This school facilities project includes \$2,140,858.40 for school facility construction elements in addition to the facility efficiency standards developed by the Commissioner of Education or that are not otherwise eligible for State support pursuant to N.J.S.A. 18A:7G-5(g).</p>	12/1/2003	\$ 26,787,170.69	\$ 26,268,904.48	\$ -	\$ 518,266.21
Unreserved -- Designated to Subsequent Year's Expenditures					\$ 518,266.21

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2011

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**Revenues and Other Financing Sources**

State Sources - SCC Grant - Cancellation	\$	-
Bond Proceeds and Transfers		-
Contributions from Private Source		-
Transfer from Capital Reserve		-
Transfer from Capital Outlay		-
		-

Total Revenues		-
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**Expenditures and Other Financing Uses**

Legal Services		-
Other Purchased Professional & Technical Services		-
Construction Services		-
Other Object		-
		-

Total Expenditures		-
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Excess (Deficiency) of Revenues Over (Under) Expenditures		-
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Fund Balance - July 1		518,266.21
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Fund Balance - June 30		\$ 518,266.21
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Unreserved - Designated to Subsequent Year's Expenditures		\$ 518,266.21
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**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Countryside School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 1,463,836.00	\$ -	\$ 1,463,836.00	\$ 1,463,836.00
Bond Proceeds and Transfers	2,704,798.00		2,704,798.00	2,704,798.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>4,168,634.00</u>	<u>-</u>	<u>4,168,634.00</u>	<u>4,168,634.00</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	24,431.09		24,431.09	66,023.73
Other Purchased Professional & Technical Services	290,724.75		290,724.75	295,578.50
Construction Services	3,692,042.27		3,692,042.27	3,692,995.14
Other Object	80,783.01		80,783.01	114,036.63
Total Expenditures	<u>4,087,981.12</u>	<u>-</u>	<u>4,087,981.12</u>	<u>4,168,634.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 80,652.88</u>	<u>\$ -</u>	<u>\$ 80,652.88</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	3440-010-03-1201
Grant Date	11/17/2003
Bond Authorization Date	9/30/2003
Bonds Authorized	2,704,798.00
Bonds Issued	2,704,798.00
Original Authorized Cost	4,168,634.00
Additional Authorized Cost	-
Revised Authorized Cost	4,168,634.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	98.07%
Original Target Completion Date	12/31/2005
Revised Target Completion Date	12/31/2006

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Various Renovations and Improvements to the Fleetwood School  
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 1,664,274.00	\$ -	\$ 1,664,274.00	\$ 1,664,274.00
Bond Proceeds and Transfers	2,774,995.00		2,774,995.00	2,774,995.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<u>4,439,269.00</u>	<u>-</u>	<u>4,439,269.00</u>	<u>4,439,269.00</u>
<b>Total Revenues</b>				
<b>Expenditures and Other Financing Uses</b>				
Legal Services	26,017.20		26,017.20	70,310.10
Other Purchased Professional & Technical Services	309,599.11		309,599.11	314,767.98
Construction Services	3,931,736.11		3,931,736.11	3,932,750.83
Other Object	86,027.58		86,027.58	121,440.09
	<u>4,353,380.00</u>	<u>-</u>	<u>4,353,380.00</u>	<u>4,439,269.00</u>
<b>Total Expenditures</b>				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 85,889.00</u>	<u>\$ -</u>	<u>\$ 85,889.00</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-045-03-1202			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	2,774,995.00			
Bonds Issued	2,774,995.00			
Original Authorized Cost	4,439,269.00			
Additional Authorized Cost				
Revised Authorized Cost	4,439,269.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Hartford School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 232,637.00	\$ -	\$ 232,637.00	\$ 232,637.00
Bond Proceeds and Transfers	360,255.00		360,255.00	360,255.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	592,892.00	-	592,892.00	592,892.00
<b>Expenditures and Other Financing Uses</b>				
Legal Services	3,474.76		3,474.76	9,390.35
Other Purchased Professional & Technical Services	41,348.89		41,348.89	42,039.22
Construction Services	525,107.83		525,107.83	525,243.35
Other Object	11,489.52		11,489.52	16,219.08
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	581,421.00	-	581,421.00	592,892.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 11,471.00</u>	<u>\$ -</u>	<u>\$ 11,471.00</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-047-03-1203			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	360,255.00			
Bonds Issued	360,255.00			
Original Authorized Cost	592,892.00			
Additional Authorized Cost				
Revised Authorized Cost	592,892.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Hillside School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 1,541,730.00	\$ -	\$ 1,541,730.00	\$ 1,541,730.00
Bond Proceeds and Transfers	2,528,991.00		2,528,991.00	2,528,991.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>4,070,721.00</u>	<u>-</u>	<u>4,070,721.00</u>	<u>4,070,721.00</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	23,857.25		23,857.25	64,472.96
Other Purchased Professional & Technical Services	283,896.20		283,896.20	288,635.95
Construction Services	3,605,323.47		3,605,323.47	3,606,253.95
Other Object	78,885.58		78,885.58	111,358.14
Total Expenditures	<u>3,991,962.50</u>	<u>-</u>	<u>3,991,962.50</u>	<u>4,070,721.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 78,758.50</u>	<u>\$ -</u>	<u>\$ 78,758.50</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-050-03-1204			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	2,528,991.00			
Bonds Issued	2,528,991.00			
Original Authorized Cost	4,070,721.00			
Additional Authorized Cost				
Revised Authorized Cost	4,070,721.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Larchmont School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 448,539.00	\$ -	\$ 448,539.00	\$ 448,539.00
Bond Proceeds and Transfers	695,975.00		695,975.00	695,975.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	1,144,514.00	-	1,144,514.00	1,144,514.00
<b>Expenditures and Other Financing Uses</b>				
Legal Services	6,707.65		6,707.65	18,127.06
Other Purchased Professional & Technical Services	79,819.56		79,819.56	81,152.18
Construction Services	1,013,663.96		1,013,663.96	1,013,925.58
Other Object	22,179.28		22,179.28	31,309.18
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	1,122,370.45	-	1,122,370.45	1,144,514.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 22,143.55</u>	<u>\$ -</u>	<u>\$ 22,143.55</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-055-03-1205			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	695,975.00			
Bonds Issued	695,975.00			
Original Authorized Cost	1,144,514.00			
Additional Authorized Cost				
Revised Authorized Cost	1,144,514.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Harrington School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 3,072,418.00	\$ -	\$ 3,072,418.00	\$ 3,072,418.00
Bond Proceeds and Transfers	5,213,517.00		5,213,517.00	5,213,517.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>8,285,935.00</u>	<u>-</u>	<u>8,285,935.00</u>	<u>8,285,935.00</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	48,561.34		48,561.34	131,234.43
Other Purchased Professional & Technical Services	577,869.49		577,869.49	587,517.23
Construction Services	7,338,620.35		7,338,620.35	7,340,514.34
Other Object	160,571.25		160,571.25	226,669.00
Total Expenditures	<u>8,125,622.43</u>	<u>-</u>	<u>8,125,622.43</u>	<u>8,285,935.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 160,312.57</u>	<u>\$ -</u>	<u>\$ 160,312.57</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-060-03-1206			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	5,213,517.00			
Bonds Issued	5,213,517.00			
Original Authorized Cost	8,285,935.00			
Additional Authorized Cost				
Revised Authorized Cost	8,285,935.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Parkway School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 1,256,576.69	\$ -	\$ 1,256,576.69	\$ 1,256,576.69
Bond Proceeds and Transfers	2,582,020.00		2,582,020.00	2,582,020.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>3,838,596.69</u>	<u>-</u>	<u>3,838,596.69</u>	<u>3,838,596.69</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	22,496.84		22,496.84	60,796.52
Other Purchased Professional & Technical Services	267,707.62		267,707.62	272,177.10
Construction Services	3,399,737.48		3,399,737.48	3,400,614.90
Other Object	74,387.29		74,387.29	105,008.17
Total Expenditures	<u>3,764,329.23</u>	<u>-</u>	<u>3,764,329.23</u>	<u>3,838,596.69</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 74,267.46</u>	<u>\$ -</u>	<u>\$ 74,267.46</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	3440-065-03-1207
Grant Date	11/17/2003
Bond Authorization Date	9/30/2003
Bonds Authorized	2,582,020.00
Bonds Issued	2,582,020.00
Original Authorized Cost	4,104,840.00
Additional Authorized Cost	(266,243.31)
Revised Authorized Cost	3,838,596.69
Percentage Increase over Original Authorized Cost	-6.49%
Percentage Completion	98.07%
Original Target Completion Date	12/31/2005
Revised Target Completion Date	12/31/2006

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Springville School  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 19,160.00	\$ -	\$ 19,160.00	\$ 19,160.00
Bond Proceeds and Transfers	40,041.00		40,041.00	40,041.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	59,201.00	-	59,201.00	59,201.00
<b>Expenditures and Other Financing Uses</b>				
Legal Services	346.96		346.96	937.64
Other Purchased Professional & Technical Services	4,128.74		4,128.74	4,197.67
Construction Services	52,432.67		52,432.67	52,446.19
Other Object	1,147.24		1,147.24	1,619.50
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	58,055.61	-	58,055.61	59,201.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,145.39</u>	<u>\$ -</u>	<u>\$ 1,145.39</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	3440-075-03-1208			
Grant Date	11/17/2003			
Bond Authorization Date	9/30/2003			
Bonds Authorized	40,041.00			
Bonds Issued	40,041.00			
Original Authorized Cost	59,201.00			
Additional Authorized Cost				
Revised Authorized Cost	59,201.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Hattie Britt Building  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant				
Bond Proceeds and Transfers	\$ 178,263.00	\$ -	\$ 178,263.00	\$ 178,263.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>178,263.00</u>	<u>-</u>	<u>178,263.00</u>	<u>178,263.00</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	1,044.75		1,044.75	2,823.37
Other Purchased Professional & Technical Services	12,432.24		12,432.24	12,639.80
Construction Services	157,882.54		157,882.54	157,923.29
Other Object	3,454.52		3,454.52	4,876.54
Total Expenditures	<u>174,814.05</u>	<u>-</u>	<u>174,814.05</u>	<u>178,263.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 3,448.95</u>	<u>\$ -</u>	<u>\$ 3,448.95</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	9/30/2003
Bonds Authorized	178,263.00
Bonds Issued	178,263.00
Original Authorized Cost	178,263.00
Reduction In Authorized Cost	
Revised Authorized Cost	178,263.00
Percentage Increase (Decrease) over Original Authorized Cost	0.00%
Percentage Completion	98.07%
Original Target Completion Date	12/31/2005
Revised Target Completion Date	12/31/2006

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Renovations and Improvements to the Masonville Building  
 From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant				
Bond Proceeds and Transfers	\$ 9,145.00	\$ -	\$ 9,145.00	\$ 9,145.00
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<u>9,145.00</u>	<u>-</u>	<u>9,145.00</u>	<u>9,145.00</u>
<b>Total Revenues</b>				
<b>Expenditures and Other Financing Uses</b>				
Legal Services	53.60		53.60	144.84
Other Purchased Professional & Technical Services	637.78		637.78	648.43
Construction Services	8,099.49		8,099.49	8,101.56
Other Object	177.22		177.22	250.17
	<u>8,968.09</u>	<u>-</u>	<u>8,968.09</u>	<u>9,145.00</u>
<b>Total Expenditures</b>				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 176.91</u>	<u>\$ -</u>	<u>\$ 176.91</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	9/30/2003			
Bonds Authorized	9,145.00			
Bonds Issued	9,145.00			
Original Authorized Cost	9,145.00			
Additional Authorized Cost	-			
Revised Authorized Cost	9,145.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.07%			
Original Target Completion Date	12/31/2005			
Revised Target Completion Date	12/31/2006			

PROPRIETARY FUNDS

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Enterprise Fund  
Combining Statement of Net Assets  
June 30, 2011

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 425,238.93	\$ 1,172,711.68	\$ 1,597,950.61
Accounts Receivable:			
State	1,955.74		1,955.74
Federal	19,475.58		19,475.58
Other		3,820.66	3,820.66
Inventories	<u>24,343.03</u>		<u>24,343.03</u>
Total Current Assets	<u>471,013.28</u>	<u>1,176,532.34</u>	<u>1,647,545.62</u>
Noncurrent Assets:			
Furniture, Machinery and Equipment	259,366.05		259,366.05
Less Accumulated Depreciation	<u>(151,364.64)</u>		<u>(151,364.64)</u>
Total Noncurrent Assets	<u>108,001.41</u>	<u>-</u>	<u>108,001.41</u>
Total Assets	<u>579,014.69</u>	<u>1,176,532.34</u>	<u>1,755,547.03</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	4,000.00		4,000.00
Interfund Payable - General Fund	72,000.00		72,000.00
Deferred Revenue	<u>17,778.78</u>		<u>17,778.78</u>
Total Current Liabilities	<u>93,778.78</u>	<u>-</u>	<u>93,778.78</u>
<b>NET ASSETS:</b>			
Invested in Capital Assets, Net of Related Debt	108,001.41		108,001.41
Unrestricted	<u>377,234.50</u>	<u>1,176,532.34</u>	<u>1,553,766.84</u>
Total Net Assets	<u>\$ 485,235.91</u>	<u>\$ 1,176,532.34</u>	<u>\$ 1,661,768.25</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Enterprise Fund  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
 For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 500,313.79		\$ 500,313.79
Daily Sales - Non-Reimbursable Programs	322,909.52		322,909.52
Other Miscellaneous	24,473.49		24,473.49
DayCare Fees		\$ 618,623.56	618,623.56
Total Operating Revenues	<u>847,696.80</u>	<u>618,623.56</u>	<u>1,466,320.36</u>
<b>OPERATING EXPENSES:</b>			
Salaries	498,244.04	395,149.19	893,393.23
Employee Benefits	34,799.49		34,799.49
Supplies and Materials	32,347.85	20,288.06	52,635.91
Cost of Sales	506,463.49		506,463.49
Management Fee	47,599.22		47,599.22
Insurance	17,138.72		17,138.72
Office Supplies	1,882.11		1,882.11
Auto Expense	2,553.17		2,553.17
Protmotional	191.04		191.04
Service Contracts	24,312.90		24,312.90
Miscellaneous	3,901.94		3,901.94
Professional Fees	8,000.00		8,000.00
Depreciation	13,425.22		13,425.22
Total Operating Expenses	<u>1,190,859.19</u>	<u>415,437.25</u>	<u>1,606,296.44</u>
Operating Income / (Loss)	<u>(343,162.39)</u>	<u>203,186.31</u>	<u>(139,976.08)</u>
<b>NONOPERATING REVENUES:</b>			
State Sources:			
State School Lunch Program	14,804.29		14,804.29
Federal Sources:			
National School Lunch Program	253,876.60		253,876.60
Food Distribution Program	70,725.24		70,725.24
Interest and Investment Revenue	1,970.57	12,012.53	13,983.10
Total Nonoperating Revenues	<u>341,376.70</u>	<u>12,012.53</u>	<u>353,389.23</u>
Change in Net Assets	(1,785.69)	215,198.84	213,413.15
Net Assets -- July 1	<u>487,021.60</u>	<u>961,333.50</u>	<u>1,448,355.10</u>
Net Assets -- June 30	<u>\$ 485,235.91</u>	<u>\$ 1,176,532.34</u>	<u>\$ 1,661,768.25</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Enterprise Fund  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 850,708.20	\$ 620,071.29	\$ 1,470,779.49
Payments to Employees	(426,244.04)	(395,149.19)	(821,393.23)
Payments for Employee Benefits	(34,799.49)		(34,799.49)
Payments to Suppliers	(425,237.33)	(20,288.06)	(445,525.39)
Payments to Other	(190,230.36)		(190,230.36)
Net Cash Provided by (used for) Operating Activities	<u>(225,803.02)</u>	<u>204,634.04</u>	<u>(21,168.98)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Federal and State Sources	<u>271,277.52</u>		<u>271,277.52</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>271,277.52</u>	<u>-</u>	<u>271,277.52</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Purchase of Capital Assets	<u>(15,730.00)</u>		<u>(15,730.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(15,730.00)</u>	<u>-</u>	<u>(15,730.00)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest and Dividends	<u>1,970.57</u>	<u>12,012.53</u>	<u>13,983.10</u>
Net Cash Provided by (used for) Investing Activities	<u>1,970.57</u>	<u>12,012.53</u>	<u>13,983.10</u>
Net Increase (Decrease) in Cash and Cash Equivalents	31,715.07	216,646.57	248,361.64
Cash and Cash Equivalents -- July 1	<u>393,523.86</u>	<u>956,065.11</u>	<u>1,349,588.97</u>
Cash and Equivalents -- June 30	<u>\$ 425,238.93</u>	<u>\$ 1,172,711.68</u>	<u>\$ 1,597,950.61</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$(343,162.39)	\$ 203,186.31	\$ (139,976.08)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	13,425.22		13,425.22
Food Distribution Program	70,725.24		70,725.24
(Increase) Decrease in Inventories	10,444.21		10,444.21
(Increase) Decrease in Other Current Assets	671.47	1,447.73	2,119.20
Increase (Decrease) in Other Current Liabilities	<u>22,093.23</u>		<u>22,093.23</u>
Total Adjustments	<u>117,359.37</u>	<u>1,447.73</u>	<u>118,807.10</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (225,803.02)</u>	<u>\$ 204,634.04</u>	<u>\$ (21,168.98)</u>

FIDUCIARY FUNDS

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Assets  
 June 30, 2011

	<u>Trust Funds</u>	<u>Agency Funds</u>		
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>	
<b>ASSETS:</b>				
Cash and Cash Equivalents	<u>\$ 385,558.77</u>	<u>\$ 102,969.16</u>	<u>\$ 260,841.71</u>	<u>\$ 749,369.64</u>
Total Assets	<u>385,558.77</u>	<u>102,969.16</u>	<u>260,841.71</u>	<u>749,369.64</u>
<b>LIABILITIES:</b>				
Payable to Student Groups		102,969.16		102,969.16
Payroll Deductions and Withholdings			<u>260,841.71</u>	<u>260,841.71</u>
Total Liabilities	<u>-</u>	<u>\$ 102,969.16</u>	<u>\$ 260,841.71</u>	<u>363,810.87</u>
<b>NET ASSETS:</b>				
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 385,558.77</u>			<u>\$ 385,558.77</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Changes in Fiduciary Net Assets  
 For the Fiscal Year Ended June 30, 2011

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	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan Member	\$ 402,340.59
Total Contributions	<u>402,340.59</u>
Investment Earnings:	
Interest	<u>1,608.28</u>
Net Investment Earnings	<u>1,608.28</u>
Total Additions	<u>403,948.87</u>
DEDUCTIONS:	
Unemployment Claims	<u>182,911.10</u>
Total Deductions	<u>182,911.10</u>
Change in Net Assets	221,037.77
Net Assets -- July 1	<u>164,521.00</u>
Net Assets -- June 30	<u><u>\$ 385,558.77</u></u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ELEMENTARY SCHOOLS:</b>				
Countryside	\$ 1,847.67	\$ 5,155.62	\$ 6,039.22	\$ 964.07
Fleetwood	1,411.62	4,714.31	4,194.52	1,931.41
Hillside	8,476.32	9,327.33	8,227.45	9,576.20
Larchmont	9,754.61	11,320.89	10,594.37	10,481.13
Parkway	9,677.16	5,932.45	5,934.31	9,675.30
Springville	5,245.32	21,866.31	18,137.48	8,974.15
Hartford	<u>7,473.73</u>	<u>45,580.27</u>	<u>48,416.73</u>	<u>4,637.27</u>
Total Elementary Schools	<u>43,886.43</u>	<u>103,897.18</u>	<u>101,544.08</u>	<u>46,239.53</u>
<b>MIDDLE SCHOOL:</b>				
Harrington	<u>53,230.99</u>	<u>91,298.45</u>	<u>87,799.81</u>	<u>56,729.63</u>
Total Middle School	<u>53,230.99</u>	<u>91,298.45</u>	<u>87,799.81</u>	<u>56,729.63</u>
Total All Schools	<u>\$ 97,117.42</u>	<u>\$ 195,195.63</u>	<u>\$ 189,343.89</u>	<u>\$ 102,969.16</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2011

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	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	<u>\$ 265,000.04</u>	<u>\$ 43,909,563.78</u>	<u>\$ 43,913,722.11</u>	<u>\$ 260,841.71</u>
Total Assets	<u><u>\$ 265,000.04</u></u>	<u><u>\$ 43,909,563.78</u></u>	<u><u>\$ 43,913,722.11</u></u>	<u><u>\$ 260,841.71</u></u>
<b>LIABILITIES:</b>				
Payroll Deductions and Withholdings	<u>\$ 265,000.04</u>	<u>\$ 43,909,563.78</u>	<u>\$ 43,913,722.11</u>	<u>\$ 260,841.71</u>
Total Liabilities	<u><u>\$ 265,000.04</u></u>	<u><u>\$ 43,909,563.78</u></u>	<u><u>\$ 43,913,722.11</u></u>	<u><u>\$ 260,841.71</u></u>

LONG-TERM DEBT

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2011

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2011</u>
			<u>Date</u>	<u>Amount</u>				
School Refunding Bonds Series 2002	12/19/2002	\$ 2,005,000.00				\$ 280,000.00	\$ 280,000.00	
School Refunding Bonds Series 2003	10/15/2003	23,290,000.00	08/01/11	\$ 1,450,000.00	5.000%			
			08/01/12	1,520,000.00	4.000%			
			08/01/13	1,825,000.00	5.000%			
			08/01/14	2,290,000.00	5.000%			
			08/01/15	2,390,000.00	4.000%			
			08/01/16	2,485,000.00	4.000%			
			08/01/17	2,575,000.00	4.000%			
			08/01/18	2,675,000.00	4.000%			
			08/01/19	2,775,000.00	4.250%	21,360,000.00	1,375,000.00	\$ 19,985,000.00
School District Bonds Series 2003	12/1/2003	17,088,000.00	12/01/11	1,250,000.00	3.500%			
			12/01/12	1,400,000.00	3.500%			
			12/01/13	1,525,000.00	3.500%			
			12/01/14	1,625,000.00	3.625%			
			12/01/15	1,800,000.00	3.700%			
			12/01/16	1,800,000.00	3.800%			
			12/01/17	1,800,000.00	4.000%			
			12/01/18	1,863,000.00	4.000%	13,963,000.00	900,000.00	13,063,000.00
School Refunding Bonds Series 2008	9/4/2008	950,000.00	12/01/11	70,000.00	3.550%			
			06/01/12	70,000.00	3.550%	280,000.00	140,000.00	140,000.00
						<u>\$ 35,883,000.00</u>	<u>\$ 2,695,000.00</u>	<u>\$ 33,188,000.00</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Obligations Under Capital Leases  
 For the Fiscal Year Ended June 30, 2011

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2010 (a)</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2011 (a)</u>
			<u>Principal</u>	<u>Interest</u>					
Lighting Project	12/18/2007	10 years	230,000.00	27,728.41	4.25%	\$ 143,757.80		\$ 69,612.51	\$ 74,145.29
Three Buses	7/1/2008	3 years	132,499.16	8,758.36	3.31%	45,594.90		45,594.90	
Solar Panels	7/15/2010	5 years	2,550,000.00	195,342.77	2.59%		\$ 2,550,000.00	227,841.48	2,322,158.52
						<u>\$ 189,352.70</u>	<u>\$ 2,550,000.00</u>	<u>\$ 343,048.89</u>	<u>\$ 2,396,303.81</u>

(a) Future Interest Payments Removed from Carrying Value of Leases.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 3,362,585.00	-	\$ 3,362,585.00	\$ 3,362,585.00	-
State Sources:					
Debt Service Aid Type II	631,122.00	-	631,122.00	631,122.00	-
Other Sources:					
Transfers from Capital Reserve	325,517.00	-	325,517.00	325,517.00	-
<b>Total Revenues</b>	<b>4,319,224.00</b>	<b>-</b>	<b>4,319,224.00</b>	<b>4,319,224.00</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Principal Payments - Comm Approved Lease Purch Agrm.	140,000.00	-	140,000.00	140,000.00	-
Interest for Comissioner Approved Lease Purch Agrm.	18,815.00	-	18,815.00	8,697.50	\$ 10,117.50
Interest on Bonds	1,424,443.00	-	1,424,443.00	1,424,441.05	1.95
Redemption of Principal	2,922,663.00	-	2,922,663.00	2,922,662.59	0.41
<b>Total Regular Debt Service</b>	<b>4,505,921.00</b>	<b>-</b>	<b>4,505,921.00</b>	<b>4,495,801.14</b>	<b>10,119.86</b>
<b>Total Expenditures</b>	<b>4,505,921.00</b>	<b>-</b>	<b>4,505,921.00</b>	<b>4,495,801.14</b>	<b>10,119.86</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(186,697.00)</b>	<b>-</b>	<b>(186,697.00)</b>	<b>(176,577.14)</b>	<b>10,119.86</b>
Other Financing Sources:					
Operating Transfers In:	-	-	-	212,153.61	212,153.61
<b>Excess (Deficiency) of Revenues and Other   Financing Sources Over (Under) Expenditures</b>	<b>(186,697.00)</b>	<b>-</b>	<b>(186,697.00)</b>	<b>35,576.47</b>	<b>222,273.47</b>
Fund Balance, July 1	192,211.71	-	192,211.71	192,211.71	-
Fund Balance, June 30	<u>\$ 5,514.71</u>	<u>\$ -</u>	<u>\$ 5,514.71</u>	<u>\$ 227,788.18</u>	<u>\$ 222,273.47</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:</b>					
<b>Budgeted Fund Balance</b>	<b>\$ (186,697.00)</b>	<b>\$ -</b>	<b>\$ (186,697.00)</b>	<b>\$ 35,576.47</b>	<b>\$ 222,273.47</b>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Statement of Economic Development Loan  
For the Fiscal Year Ended June 30, 2011

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	<u>Date of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2011</u>
		<u>Date</u>	<u>Amount</u>				
Facilities Loan of 1993	8/31/1993	7/15/2012-2014	\$ 367,662.59	1.50%	<u>\$ 1,470,649.97</u>	<u>\$ 367,662.59</u>	<u>\$ 1,102,987.38</u>

STATISTICAL SECTION

## Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1 to J-5 are only presented for the last nine fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2003; thus, ten year comparative financial information is unavailable.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Net Assets by Component  
 Last Nine Fiscal Years  
*(accrual basis of accounting)*  
 Unaudited

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental activities</b>									
Invested in capital assets, net of related debt	1,559,915.99	(14,670,562.15)	1,037,522.33	13,981,260.87	15,690,592.64	16,515,656.26	18,124,368.89	19,400,820.27	20,818,610.71
Restricted	3,034,606.41	29,410,888.65	15,832,642.20	7,879,245.12	7,495,291.24	7,663,564.50	9,131,676.68	8,269,748.58	7,284,786.77
Unrestricted	(2,627,496.90)	(95,999.54)	(856,988.15)	(367,902.27)	(642,869.07)	(674,085.98)	(973,290.67)	(343,646.82)	(457,229.54)
<b>Total governmental activities net assets</b>	<u>1,967,025.50</u>	<u>14,644,326.96</u>	<u>16,013,176.38</u>	<u>21,492,603.72</u>	<u>22,543,014.81</u>	<u>23,505,134.78</u>	<u>26,282,754.90</u>	<u>27,326,922.03</u>	<u>27,646,167.94</u>
<b>Business-type activities</b>									
Invested in capital assets, net of related debt	51,792.65	43,500.86	36,550.84	35,161.95	24,713.59	101,720.77	96,784.63	105,696.63	108,001.41
Restricted	34,984.36	26,238.28	17,492.20	-	-	-	-	-	-
Unrestricted	124,525.57	263,219.35	453,725.47	656,117.92	825,268.30	1,056,571.83	1,201,516.10	1,342,658.47	1,553,766.84
<b>Total business-type activities net assets</b>	<u>211,302.58</u>	<u>332,958.49</u>	<u>507,768.51</u>	<u>691,279.87</u>	<u>849,981.89</u>	<u>1,158,292.60</u>	<u>1,298,300.73</u>	<u>1,448,355.10</u>	<u>1,661,768.25</u>
<b>District-wide</b>									
Invested in capital assets, net of related debt	1,611,708.64	(14,627,061.29)	1,074,073.17	14,016,422.82	15,715,306.23	16,617,377.03	18,221,153.52	19,506,516.90	20,926,612.12
Restricted	3,069,590.77	29,437,126.93	15,850,134.40	7,879,245.12	7,495,291.24	7,663,564.50	9,131,676.68	8,269,748.58	7,284,786.77
Unrestricted	(2,502,971.33)	167,219.81	(403,262.68)	288,215.65	182,399.23	382,485.85	228,225.43	999,011.65	1,096,537.30
<b>Total district net assets</b>	<u>2,178,328.08</u>	<u>14,977,285.45</u>	<u>16,520,944.89</u>	<u>22,183,883.59</u>	<u>23,392,996.70</u>	<u>24,663,427.38</u>	<u>27,581,055.63</u>	<u>28,775,277.13</u>	<u>29,307,936.19</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Changes in Net Assets  
 Last Nine Fiscal Years  
*(accrual basis of accounting)*  
 Unaudited

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental activities									
Instruction									
Regular	18,891,637.64	19,112,065.77	18,609,923.72	19,824,338.23	21,124,789.29	21,311,172.48	21,638,524.21	21,899,412.23	21,560,497.25
Special education	3,454,392.99	3,913,442.30	5,009,275.42	5,613,910.39	5,261,033.42	5,709,094.57	6,402,670.56	7,484,076.15	7,635,313.68
Other special education	651,406.44	625,463.89	650,374.98	746,652.30	683,934.50	707,293.85	789,323.50	881,768.50	788,842.20
Other instruction	270,125.16	237,657.32	277,337.53	240,648.89	358,692.75	342,437.92	396,442.78	391,642.75	266,350.21
Community Services Programs / Operations	345,027.74	340,360.64	2,909.00	-	-	-	-	-	-
Support Services:									
Tuition	1,555,618.50	1,452,799.37	1,225,731.66	832,460.39	1,114,486.82	1,145,431.15	1,018,860.20	937,529.57	1,117,817.57
Student & instruction related services	4,652,902.53	5,064,999.04	4,833,929.40	5,207,472.90	5,425,011.25	5,481,900.62	5,743,459.78	5,969,481.46	5,249,015.92
General administration	-	-	937,784.21	946,744.34	916,201.08	952,419.97	951,486.13	1,020,466.61	900,332.29
School Administrative services	1,999,368.72	2,235,084.99	2,018,387.47	2,080,746.56	2,048,624.58	1,985,177.25	2,117,348.72	2,136,754.29	1,994,375.33
Other Administrative Services	1,841,043.46	1,745,155.31	-	-	-	-	-	-	-
Central Services	-	-	807,051.14	795,750.31	821,720.44	830,804.50	851,014.18	881,595.63	868,022.24
Administrative information technology	-	-	429,185.00	505,551.99	483,961.33	544,618.28	595,731.03	530,636.65	559,215.10
Plant operations and maintenance	3,610,108.48	4,197,125.87	4,382,184.12	4,789,372.95	4,775,668.82	5,699,750.05	4,989,786.15	5,001,521.19	5,007,669.10
Pupil transportation	2,481,427.59	2,591,503.51	3,398,065.16	3,766,847.18	3,314,775.11	3,416,515.77	3,151,442.69	3,222,447.86	3,357,015.61
Unallocated Benefits	8,115,064.78	9,332,710.31	9,371,793.52	10,433,827.69	13,640,514.27	14,331,160.31	11,649,199.13	12,305,823.29	13,588,057.22
Special Schools	296,661.77	304,419.27	309,095.33	327,441.33	351,955.58	365,322.15	400,329.01	413,192.62	409,943.37
Interest on long-term debt	1,697,697.89	905,188.36	2,280,299.72	1,948,589.38	1,873,201.08	1,787,981.97	1,652,729.83	1,581,197.56	1,551,077.63
Unallocated depreciation	202,222.62	155,597.58	254,309.17	118,391.00	302,129.00	155,470.26	648,687.75	519,769.00	462,212.00
Total governmental activities expenses	<u>48,064,706.31</u>	<u>52,213,573.53</u>	<u>54,797,636.55</u>	<u>58,178,745.83</u>	<u>62,496,699.32</u>	<u>64,766,551.10</u>	<u>62,997,035.65</u>	<u>65,177,315.36</u>	<u>65,315,756.72</u>
Business-type activities:									
Food service	892,063.02	913,131.78	948,531.11	987,434.36	1,046,117.87	1,005,700.62	1,149,718.70	1,166,576.04	1,190,859.19
Child Care	-	-	361,358.85	394,608.37	411,193.21	399,366.76	431,475.35	453,475.52	415,437.25
Total business-type activities expense	<u>892,063.02</u>	<u>913,131.78</u>	<u>1,309,889.96</u>	<u>1,382,042.73</u>	<u>1,457,311.08</u>	<u>1,405,067.38</u>	<u>1,581,194.05</u>	<u>1,620,051.56</u>	<u>1,606,296.44</u>
Total district expenses	<u><u>48,956,769.33</u></u>	<u><u>53,126,705.31</u></u>	<u><u>56,107,526.51</u></u>	<u><u>59,560,788.56</u></u>	<u><u>63,954,010.40</u></u>	<u><u>66,171,618.48</u></u>	<u><u>64,578,229.70</u></u>	<u><u>66,797,366.92</u></u>	<u><u>66,922,053.16</u></u>

(Continued)

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Changes in Net Assets  
 Last Nine Fiscal Years  
*(accrual basis of accounting)*  
 Unaudited

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
Instruction (tuition)	32,295.11	29,005.33	111,241.44	118,862.53	324,234.63	275,335.67	310,970.32	320,938.27	341,543.90
Pupil transportation	37,649.03	9,716.08	3,517.77	14,180.75	20,669.75	9,477.25	8,194.30	-	8,479.20
Special Schools	346,743.66	355,262.36	376,563.34	402,899.17	368,768.82	410,029.07	421,921.30	425,244.38	423,928.01
Operating grants and contributions	3,612,649.91	4,315,676.35	4,255,126.71	5,134,177.48	6,695,643.20	7,017,835.51	5,757,069.16	6,411,025.62	6,236,541.36
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>4,029,337.71</u>	<u>4,709,660.12</u>	<u>4,746,449.26</u>	<u>5,670,119.93</u>	<u>7,409,316.40</u>	<u>7,712,677.50</u>	<u>6,498,155.08</u>	<u>7,157,208.27</u>	<u>7,010,492.47</u>
Business-type activities:									
Charges for services:									
Food service	710,830.69	723,010.84	781,667.92	763,477.69	781,543.36	808,230.19	858,700.05	848,982.19	847,696.80
Child care	-	-	479,599.05	530,201.44	541,308.46	560,331.88	560,803.71	581,911.21	618,623.56
Operating grants and contributions	169,220.27	218,015.48	218,840.51	251,025.73	258,792.51	306,938.51	294,877.49	332,588.78	339,406.13
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>880,050.96</u>	<u>941,026.32</u>	<u>1,480,107.48</u>	<u>1,544,704.86</u>	<u>1,581,644.33</u>	<u>1,675,500.58</u>	<u>1,714,381.25</u>	<u>1,763,482.18</u>	<u>1,805,726.49</u>
Total district program revenues	<u>4,909,388.67</u>	<u>5,650,686.44</u>	<u>6,226,556.74</u>	<u>7,214,824.79</u>	<u>8,990,960.73</u>	<u>9,388,178.08</u>	<u>8,212,536.33</u>	<u>8,920,690.45</u>	<u>8,816,218.96</u>
<b>Net (Expense)/Revenue</b>									
Governmental activities	(44,035,368.60)	(47,503,913.41)	(50,051,187.29)	(52,508,625.90)	(55,087,382.92)	(57,053,873.60)	(56,498,880.57)	(58,020,107.09)	(58,305,264.25)
Business-type activities	(12,012.06)	27,894.54	170,217.52	162,662.13	124,333.25	270,433.20	133,187.20	143,430.62	199,430.05
Total district-wide net expense	<u>(44,047,380.66)</u>	<u>(47,476,018.87)</u>	<u>(49,880,969.77)</u>	<u>(52,345,963.77)</u>	<u>(54,963,049.67)</u>	<u>(56,783,440.40)</u>	<u>(56,365,693.37)</u>	<u>(57,876,676.47)</u>	<u>(58,105,834.20)</u>
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental activities:									
Property taxes levied for general purposes, net	37,279,901.00	39,993,734.00	41,666,253.00	43,504,304.00	45,932,163.00	47,973,294.00	49,485,496.00	50,186,321.00	51,256,979.00
Taxes levied for debt service	3,016,825.00	3,292,655.00	3,536,561.00	3,748,009.00	3,476,427.00	3,709,952.00	3,727,609.00	3,728,475.00	3,362,585.00
Federal and State Aid Not Restricted	5,048,609.65	5,506,142.35	5,559,145.00	5,789,822.00	5,724,603.78	5,843,605.65	5,584,485.62	4,750,054.36	3,617,810.42
Federal and State Aid Restricted	78,728.12	9,965,414.00	-	5,659.00	29,369.99	5,649.00	-	114,712.07	49,491.54
Miscellaneous income	838,679.97	942,612.96	658,077.71	765,874.20	975,230.24	697,549.23	478,910.07	337,850.13	345,636.71
Special Items	(16,924,037.23)	480,656.56	-	281,502.58	-	(214,056.31)	-	(53,138.34)	(7,992.51)
Total governmental activities	<u>29,338,706.51</u>	<u>60,181,214.87</u>	<u>51,420,036.71</u>	<u>54,095,170.78</u>	<u>56,137,794.01</u>	<u>58,015,993.57</u>	<u>59,276,500.69</u>	<u>59,064,274.22</u>	<u>58,624,510.16</u>
Business-type activities:									
Miscellaneous income	1,122.18	816.37	4,592.50	20,849.23	34,368.77	37,877.51	6,820.93	6,623.75	13,983.10
Special Items	-	92,945.00	-	-	-	-	-	-	-
Total business-type activities	<u>1,122.18</u>	<u>93,761.37</u>	<u>4,592.50</u>	<u>20,849.23</u>	<u>34,368.77</u>	<u>37,877.51</u>	<u>6,820.93</u>	<u>6,623.75</u>	<u>13,983.10</u>
Total district-wide	<u>29,339,828.69</u>	<u>60,274,976.24</u>	<u>51,424,629.21</u>	<u>54,116,020.01</u>	<u>56,172,162.78</u>	<u>58,053,871.08</u>	<u>59,283,321.62</u>	<u>59,070,897.97</u>	<u>58,638,493.26</u>
<b>Change in Net Assets</b>									
Governmental activities	(14,696,662.09)	12,677,301.46	1,368,849.42	1,586,544.88	1,050,411.09	962,119.97	2,777,620.12	1,044,167.13	319,245.91
Business-type activities	(10,889.88)	121,655.91	174,810.02	183,511.36	158,702.02	308,310.71	140,008.13	150,054.37	213,413.15
Total district	<u>(14,707,551.97)</u>	<u>12,798,957.37</u>	<u>1,543,659.44</u>	<u>1,770,056.24</u>	<u>1,209,113.11</u>	<u>1,270,430.68</u>	<u>2,917,628.25</u>	<u>1,194,221.50</u>	<u>532,659.06</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Fund Balances - Governmental Funds  
Last Nine Fiscal Years  
*(modified accrual basis of accounting)*  
Unaudited

	Fiscal Year Ending June 30,								
	<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>
General Fund									
Reserved	1,884,119.18	3,709,383.51	4,654,711.77	5,095,868.44	5,434,390.90	6,054,660.60	8,072,498.77	7,306,249.85	6,488,135.53
Unreserved	<u>2,300,615.39</u>	<u>1,205,559.99</u>	<u>683,476.65</u>	<u>851,150.39</u>	<u>924,280.06</u>	<u>903,662.20</u>	<u>630,746.91</u>	<u>1,297,002.66</u>	<u>1,335,059.33</u>
Total general fund	<u><u>4,184,734.57</u></u>	<u><u>4,914,943.50</u></u>	<u><u>5,338,188.42</u></u>	<u><u>5,947,018.83</u></u>	<u><u>6,358,670.96</u></u>	<u><u>6,958,322.80</u></u>	<u><u>8,703,245.68</u></u>	<u><u>8,603,252.51</u></u>	<u><u>7,823,194.86</u></u>
All Other Governmental Funds									
Reserved	1,099,017.58	1,381,508.53	9,272,841.27	1,263,659.17	749,662.50	870,736.95	354,214.71	439,717.81	-
Unreserved, reported in:									
Special revenue fund	(9,720.65)	-	-	-	-	-	-	-	-
Capital projects fund	18,395.48	24,305,358.52	1,490,618.91	1,341,821.75	1,013,980.48	636,666.21	518,266.21	518,266.21	568,863.06
Debt service fund	<u>33,074.19</u>	<u>14,638.09</u>	<u>414,470.25</u>	<u>177,895.76</u>	<u>297,257.36</u>	<u>101,500.74</u>	<u>186,696.99</u>	<u>5,514.71</u>	<u>227,788.18</u>
Total all other governmental funds	<u><u>1,140,766.60</u></u>	<u><u>25,701,505.14</u></u>	<u><u>11,177,930.43</u></u>	<u><u>2,783,376.68</u></u>	<u><u>2,060,900.34</u></u>	<u><u>1,608,903.90</u></u>	<u><u>1,059,177.91</u></u>	<u><u>963,498.73</u></u>	<u><u>796,651.24</u></u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Nine Fiscal Years  
 (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>									
Tax levy	40,296,726.00	43,286,389.00	45,202,814.00	47,252,313.00	49,408,590.00	51,683,246.00	53,213,105.00	53,914,796.00	54,619,564.00
Other Restricted Miscellaneous Revenues	346,743.66	355,262.36	376,563.34	402,899.17	368,768.82	410,029.07	421,921.30	425,244.38	423,928.01
Unrestricted Miscellaneous Revenues	908,624.11	981,334.37	772,836.92	898,917.48	1,320,134.62	982,362.15	798,074.69	658,788.40	661,748.81
State sources	7,804,166.22	18,275,654.81	8,531,463.30	9,423,936.07	11,119,901.64	11,459,187.35	9,941,815.82	9,208,572.54	8,340,773.05
Federal sources	935,821.46	1,511,577.89	1,282,808.41	1,505,722.41	1,329,715.33	1,407,902.81	1,399,738.96	2,067,219.51	1,596,981.27
Total revenue	<u>50,292,081.45</u>	<u>64,410,218.43</u>	<u>56,166,485.97</u>	<u>59,483,788.13</u>	<u>63,547,110.41</u>	<u>65,942,727.38</u>	<u>65,774,655.77</u>	<u>66,274,620.83</u>	<u>65,642,995.14</u>
<b>Expenditures</b>									
Instruction									
Regular Instruction	15,934,522.83	17,345,360.30	17,418,641.06	17,718,899.56	19,022,732.88	19,426,643.93	19,726,885.52	20,182,169.97	19,960,678.89
Special education instruction	3,431,160.54	3,887,973.31	4,986,152.81	5,589,911.81	5,163,591.20	5,604,398.54	6,297,928.93	7,388,673.80	7,546,434.88
Other special instruction	651,406.44	625,463.89	650,374.98	746,652.30	683,934.50	707,293.85	789,323.50	881,768.50	788,842.20
Other instruction	270,125.16	237,657.32	277,337.53	240,648.89	358,692.75	342,437.92	396,442.78	391,642.75	266,350.21
Community Services Programs / Operations	345,027.74	340,360.64	2,909.00	-	-	-	-	-	-
Support Services:									
Tuition	1,555,618.50	1,452,799.37	1,225,731.66	832,460.39	1,114,486.82	1,145,431.15	1,018,860.20	937,529.57	1,117,817.57
Student & inst. related services	4,652,902.53	5,064,999.04	4,833,929.40	5,207,472.90	5,425,011.25	5,481,900.62	5,743,459.78	5,969,481.46	5,249,015.92
General administration	-	-	937,784.21	946,744.34	916,201.08	952,419.97	951,486.13	1,020,466.61	900,332.29
School administrative services	1,939,565.88	2,132,787.93	1,960,671.63	2,006,387.11	1,951,182.36	1,880,481.22	2,012,607.09	2,041,351.94	1,905,496.53
Other Administrative Services	1,841,043.46	1,745,155.31	-	-	-	-	-	-	-
Central services	-	-	807,051.14	795,750.31	821,720.44	830,804.50	851,014.18	881,595.63	868,022.24
Admin. information technology	-	-	429,185.00	505,551.99	483,961.33	544,618.28	595,731.03	530,636.65	559,215.10
Plant operations and maintenance	3,610,108.48	4,197,125.87	4,382,184.12	4,789,372.95	4,775,668.82	5,469,750.05	5,230,379.87	5,001,521.19	5,007,669.10
Pupil transportation	2,560,284.36	2,784,784.12	3,755,083.75	3,841,046.79	3,540,445.55	3,258,154.69	3,151,442.69	3,555,228.52	3,394,904.47
Unallocated Benefits	8,389,064.78	9,332,710.31	9,371,793.52	10,433,827.69	13,640,514.27	14,320,561.25	11,649,199.13	12,269,211.39	13,436,417.83
Special Schools	296,661.17	304,419.27	309,095.33	327,441.33	351,955.58	365,322.15	400,329.01	413,192.62	409,943.37
Capital outlay	712,739.49	3,284,443.06	15,361,828.47	10,241,748.02	2,169,616.88	1,119,220.33	989,624.20	980,590.00	3,127,805.54
Debt service:									
Principal	1,952,663.00	2,206,662.59	1,892,662.59	2,302,662.59	2,442,662.59	2,592,662.59	2,710,812.80	2,744,662.59	3,062,662.59
Interest and other charges	1,736,831.38	1,549,851.92	2,329,939.30	1,942,932.50	1,855,671.32	1,767,327.63	1,617,398.31	1,543,659.99	1,538,291.55
Total expenditures	<u>49,879,725.74</u>	<u>56,492,554.25</u>	<u>70,932,355.50</u>	<u>68,469,511.47</u>	<u>64,718,049.62</u>	<u>65,809,428.67</u>	<u>64,132,925.15</u>	<u>66,733,383.18</u>	<u>69,139,900.28</u>
Excess (Deficiency) of revenues over (under) expenditures	412,355.71	7,917,664.18	(14,765,869.53)	(8,985,723.34)	(1,170,939.21)	133,298.71	1,641,730.62	(458,762.35)	(3,496,905.14)
<b>Other Financing sources (uses)</b>									
Proceeds from borrowing	-	17,088,000.00	-	-	-	-	-	-	-
Capital leases (non-budgeted)	305,196.75	395,056.64	665,539.74	1,200,000.00	860,115.00	280,600.00	132,499.16	263,090.00	2,550,000.00
Cancellation of Prior Year Accounts Payable	8,477.96	-	-	-	-	-	-	-	-
Cancellation of Prior Year Accounts Receivable	-	(16,828.33)	-	-	-	(266,243.31)	(579,032.89)	-	-
Transfers in	263,845.49	129,469.41	414,468.05	177,892.60	297,254.27	101,499.84	9,750.36	5,511.30	537,670.61
Transfers out	(263,845.49)	(222,414.41)	(414,468.05)	(177,892.60)	(297,254.27)	(101,499.84)	(9,750.36)	(5,511.30)	(537,670.61)
Total other financing sources (uses)	<u>313,674.71</u>	<u>17,373,283.31</u>	<u>665,539.74</u>	<u>1,200,000.00</u>	<u>860,115.00</u>	<u>14,356.69</u>	<u>(446,533.73)</u>	<u>263,090.00</u>	<u>2,550,000.00</u>
Net change in fund balances	<u>726,030.42</u>	<u>25,290,947.49</u>	<u>(14,100,329.79)</u>	<u>(7,785,723.34)</u>	<u>(310,824.21)</u>	<u>147,655.40</u>	<u>1,195,196.89</u>	<u>(195,672.35)</u>	<u>(946,905.14)</u>
Debt service as a percentage of noncapital expenditures	7.50%	7.06%	7.60%	7.29%	6.87%	6.74%	6.85%	6.52%	6.97%

**Source: District records**

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.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 General Fund - Other Local Revenue By Source  
 Last Nine Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,								
	<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>
Other Restricted Miscellaneous Revenues									
Summer School	182,192.16	194,322.82	191,726.20	199,093.99	208,716.56	216,730.94	290,459.01	221,981.22	226,540.53
Adult Education	<u>164,551.50</u>	<u>160,939.54</u>	<u>184,837.14</u>	<u>203,805.18</u>	<u>160,052.26</u>	<u>193,298.13</u>	<u>131,462.29</u>	<u>203,263.16</u>	<u>197,387.48</u>
Total Other Restricted Misc. Revenue	<u>346,743.66</u>	<u>355,262.36</u>	<u>376,563.34</u>	<u>402,899.17</u>	<u>368,768.82</u>	<u>410,029.07</u>	<u>421,921.30</u>	<u>425,244.38</u>	<u>423,928.01</u>
Unrestricted Miscellaneous Revenue									
Tuition / Transportation	69,944.14	38,721.41	114,759.21	133,043.28	344,904.38	284,812.92	319,164.62	320,938.27	350,023.10
Interest	87,247.01	53,078.40	182,453.84	263,310.98	321,156.94	327,301.96	95,287.97	142,885.14	121,387.91
Miscellaneous Prior Year Refunds	14,755.85	7,696.42	27,341.42	15,427.29	157,211.95	94,912.02	108,135.04	21,311.63	5,391.00
Miscellaneous	20,989.54	18,807.31	6,546.64	27,502.40	47,494.48	35,460.30	66,627.47	59,324.91	30,639.87
Building Rentals	123,663.23	68,766.25	59,364.86	41,117.95	64,450.75	56,314.56	54,700.92	50,494.32	51,979.51
E-RATE					57,661.85	80,349.34	114,007.55	58,015.73	92,597.77
State of NJ FEMA									33,911.00
D.R. Horton, Inc. - Sewer				237,423.00					
Nickelodeon Donation				5,000.00					
Mount Laurel Public Education Fund Donation	30,000.00	30,000.00	30,000.00		30,000.00		30,000.00		
Procacci Developers - Easement SV			136,250.00						
Extended Day Care Program	494,591.49	494,977.47							
Verizon	32,640.00	13,965.72							
Springville PTO Donation		9,064.00							
Countryside PTO Donation		21,650.00							
Reimbursement from Mount Laurel Township		68,887.98							
Kojeski Builders Easements		<u>26,250.00</u>							
Total Unrestricted Miscellaneous Revenues:	<u>873,831.26</u>	<u>851,864.96</u>	<u>556,715.97</u>	<u>722,824.90</u>	<u>1,022,880.35</u>	<u>879,151.10</u>	<u>787,923.57</u>	<u>652,970.00</u>	<u>685,930.16</u>
Total Miscellaneous Revenues	<u><u>1,220,574.92</u></u>	<u><u>1,207,127.32</u></u>	<u><u>933,279.31</u></u>	<u><u>1,125,724.07</u></u>	<u><u>1,391,649.17</u></u>	<u><u>1,289,180.17</u></u>	<u><u>1,209,844.87</u></u>	<u><u>1,078,214.38</u></u>	<u><u>1,109,858.17</u></u>

Source: District Records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Years  
*Unaudited*

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Public Utilities <sup>a</sup></u>	<u>Net Valuation Taxable</u>	<u>Tax-Exempt Property</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate <sup>b</sup></u>
2010	40,216,900	2,320,475,600	6,142,700	434,600	924,046,400	89,788,900	54,367,200	3,435,472,300	7,028,480	3,442,500,780	248,658,700	7,017,735,428	1.586
2009	46,091,300	2,312,759,000	4,689,300	488,100	942,356,400	96,638,800	51,942,000	3,454,964,900	7,055,887	3,462,020,787	247,686,900	7,050,958,833	1.557
2008	51,578,600	2,295,148,200	5,020,700	485,900	908,640,700	97,272,900	51,942,000	3,410,089,000	6,858,945	3,416,947,945	246,363,300	6,733,625,068	1.557
2007	64,420,600	2,261,700,600	5,122,200	482,400	871,521,900	100,736,800	51,942,000	3,355,926,500	7,464,574	3,363,391,074	238,487,200	5,984,661,186	1.536
2006	70,976,100	2,231,955,800	5,162,200	552,600	844,313,300	109,674,600	51,942,000	3,314,576,600	8,303,549	3,322,880,149	231,224,900	5,255,980,200	1.487
2005	88,800,300	2,201,934,900	7,730,900	583,500	800,401,400	112,193,800	51,942,000	3,263,586,800	9,667,301	3,273,254,101	227,345,600	4,668,014,969	1.444
2004	79,106,400	2,190,101,300	8,763,800	650,100	773,854,700	112,653,500	51,942,000	3,217,071,800	11,188,773	3,228,260,573	221,214,600	4,098,266,410	1.400
2003	57,881,300	2,176,696,100	9,441,400	746,900	714,482,200	127,571,800	51,942,000	3,138,761,700	13,416,179	3,152,177,879	220,819,200	3,570,636,965	1.374
2002	67,208,800	2,136,746,700	9,633,400	809,100	699,392,400	125,874,000	51,942,000	3,091,606,400	13,832,927	3,105,439,327	185,877,300	3,344,840,305	1.298
2001	84,773,500	2,090,157,400	10,415,500	851,900	647,711,900	124,274,900	51,942,000	3,010,127,100	13,858,105	3,023,985,205	151,161,200	3,123,844,594	1.203

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

**b** Tax rates are per \$100

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Direct and Overlapping Property Tax Rates

Per \$100.00 of Assessed Valuation

Last Ten Years

*Unaudited*

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<u>Year</u>	<u>School District Direct Rate</u>			<u>Overlapping Rates</u>				<u>Total Direct and Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>(From J-6) Total Direct School Tax Rate</u>	<u>Regional School District</u>	<u>Township of Mount Laurel</u>	<u>Burlington County</u>	<u>Mount Laurel Fire District NO. 1</u>	
2010	1.488	0.098	1.586	1.076	0.643	0.712	0.238	4.255
2009	1.449	0.108	1.557	0.973	0.602	0.714	0.213	4.059
2008	1.448	0.109	1.557	0.955	0.548	0.708	0.206	3.974
2007	1.426	0.110	1.536	0.918	0.548	0.691	0.183	3.876
2006	1.382	0.105	1.487	0.890	0.509	0.646	0.183	3.715
2005	1.329	0.115	1.444	0.850	0.509	0.604	0.163	3.570
2004	1.290	0.110	1.400	0.780	0.482	0.551	0.166	3.379
2003	1.269	0.105	1.374	0.734	0.487	0.538	0.167	3.300
2002	1.201	0.097	1.298	0.610	0.399	0.543	0.150	3.000
2001	1.108	0.095	1.203	0.515	0.380	0.542	0.117	2.757

Source: Abstract of Ratables for the County of Burlington

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Principal Property Taxpayers  
Current Year and Nine Years Ago  
*Unaudited*

<u>Taxpayer</u>	2011			2002		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Brandywine Operating Partnership	85,740,200.00	1	2.50%	56,630,500.00	1	1.82%
6000 Midlantic Drive Assoc./Whitesell	72,982,100.00	2	2.13%	35,753,200.00	5	1.15%
Liberty Property, LLP	71,971,900.00	3	2.10%	50,905,100.00	2	1.64%
East Gate Center	40,723,200.00	4	1.19%	37,730,600.00	4	1.21%
Istar Bishops Gate, LLC	36,059,100.00	5	1.05%			
Centerton Square, LLC	34,849,800.00	6	1.02%			
TD / Commerce Bank	34,278,200.00	7	1.00%			
Davis Enterprises/MRD Association	31,715,500.00	8	0.93%			
Gateway Park, LLC	23,210,300.00	9	0.68%			
Bloom Organization of SJ	21,680,500.00	10	0.63%			
FBTC Leasing Corporation				47,869,800.00	3	1.54%
Okidata Americans, Inc.				32,054,200.00	6	1.03%
NFL Films				28,026,100.00	7	0.90%
W/9 MBC R.E. Ltd.				23,210,300.00	8	0.75%
EQR-Lincoln Larchmont				21,535,100.00	9	0.69%
Bell Atlantic Land Development				16,362,000.00	10	0.53%
<b>Total</b>	<u>453,210,800.00</u>		<u>13.23%</u>	<u>350,076,900.00</u>		<u>11.26%</u>

Source: Municipal Tax Assessor

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	54,619,564.00	54,619,564.00	100.00%	-
2010	53,914,796.00	53,914,796.00	100.00%	-
2009	53,213,105.00	53,213,105.00	100.00%	-
2008	51,683,246.00	51,683,246.00	100.00%	-
2007	49,408,590.00	49,408,590.00	100.00%	-
2006	47,252,313.00	47,252,313.00	100.00%	-
2005	45,202,814.00	45,202,814.00	100.00%	-
2004	43,286,389.00	43,286,389.00	100.00%	-
2003	40,296,726.00	40,296,726.00	100.00%	-
2002	36,386,925.00	36,386,925.00	100.00%	-

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

Source: District Records

## Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Ratios of Outstanding Debt by Type  
 Last Nine Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Governmental Activities				Business- Type Activities	Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Certificates of Participation	Capital Leases	Economic Development Loan	Capital Leases			
2011	33,188,000.00	-	2,396,303.81	1,102,987.38	-	36,687,291.19	unavailable	unavailable
2010	35,883,000.00	-	189,352.70	1,470,649.97	-	37,543,002.67	unavailable	unavailable
2009	38,260,000.00	-	615,298.02	1,838,312.56	-	40,713,610.58	2.22%	1,030.33
2008	39,645,000.00	1,455,000.00	1,025,612.82	2,205,975.15	-	44,331,587.97	2.41%	1,130.71
2007	41,530,000.00	1,795,000.00	1,276,348.57	2,573,637.74	-	49,577,036.10	2.77%	1,259.04
2006	43,280,000.00	2,120,000.00	1,235,735.77	2,941,300.33	-	49,577,036.10	2.85%	1,239.33
2005	44,905,000.00	2,430,000.00	584,562.19	3,308,962.92	-	51,228,525.11	3.12%	1,272.92
2004	46,135,000.00	2,725,000.00	480,519.11	3,676,625.51	-	53,017,144.62	3.32%	1,313.48
2003	28,855,000.00	3,005,000.00	464,851.75	4,044,288.10	-	36,369,139.85	2.37%	899.91

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Population information provided by the NJ Dept Of Labor and Workforce Development

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Ratios of Net General Bonded Debt Outstanding  
 Last Nine Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	33,188,000.00	-	33,188,000.00	Unavailable	Unavailable
2010	35,883,000.00	-	35,883,000.00	1.04%	Unavailable
2009	38,260,000.00	-	38,260,000.00	1.11%	968.24
2008	39,645,000.00	-	39,645,000.00	1.16%	1,011.17
2007	41,530,000.00	-	41,530,000.00	1.23%	1,054.68
2006	43,280,000.00	-	43,280,000.00	1.30%	1,081.92
2005	44,905,000.00	-	44,905,000.00	1.37%	1,115.79
2004	46,135,000.00	-	46,135,000.00	1.43%	1,142.97
2003	28,855,000.00	-	28,855,000.00	0.92%	713.99

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Population information provided by the NJ Dept Of Labor and Workforce Development

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2010  
*Unaudited*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lenape Regional High School District (1) (B)	98,594,000.00	34.96%	34,465,012.46
Mount Laurel Township (1)	68,667,477.65	100.00%	68,667,477.65
County of Burlington (4) (A)	380,089,497.98	13.52%	51,399,533.47
Mount Laurel Township Fire District (3)	4,095,000.00	100.00%	4,095,000.00
Other Debt			
Mount Laurel Township Municipal Utilities Authority (2)	35,878,826.73	100.00%	<u>35,878,826.73</u>
Subtotal, overlapping debt			194,505,850.31
Mount Laurel Township School District Direct Debt (1)	36,103,649.97	100.00%	<u>36,103,649.97</u>
Total direct and overlapping debt			<u><u>230,609,500.28</u></u>

Sources:

- (1) Mount Laurel Township Annual Debt Statement - December 31, 2010
- (2) Mount Laurel Township Municipal Utilities Authority Audit Report - June 30, 2010
- (3) Mount Laurel Township Fire District Audit Report - December 31, 2010
- (4) County of Burlington Audit Report - December 31, 2010

(A) The debt for this entity was apportioned to Mount Laurel Township by dividing the Township's 2010 equalized value by the total 2010 equalized value for the County of Burlington, which results in an apportionment of 13.52%.

(B) The debt for this entity was apportioned to Mount Laurel Township by dividing the Township's 2010 average equalized value by the total 2010 average equalized value for the entire Regional School District, which results in an apportionment of 34.96%.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2010**

		Equalized Valuation Basis (1)
	2010	6,599,063,196.01
	2009	7,042,325,520.00
	2008	<u>6,945,191,445.98</u>
	[A]	<u>20,586,580,161.99</u>
Average equalized valuation of taxable property	[A/3]	6,862,193,387.33
Debt limit (3% of average equalization value) (2)	[B]	205,865,801.62
Total Net Debt Applicable to Limit	[C]	<u>34,290,987.38</u>
Legal Debt Margin	[B-C]	<u>171,574,814.24</u>

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debit Limit	205,865,801.62	206,001,800.00	194,546,283.84	176,700,738.77	156,434,005.59	137,288,160.94	120,662,628.84	107,176,651.68	97,540,548.37	90,707,350.35
Total net debt applicable to limit (3)	<u>34,290,987.38</u>	<u>37,353,650.00</u>	<u>40,098,312.56</u>	<u>43,305,975.15</u>	<u>45,898,537.74</u>	<u>48,341,300.33</u>	<u>48,213,962.92</u>	<u>49,811,625.51</u>	<u>32,899,288.10</u>	<u>32,576,951.10</u>
Legal Debt Margin	<u>171,574,814.24</u>	<u>168,648,150.00</u>	<u>154,447,971.28</u>	<u>133,394,763.62</u>	<u>110,535,467.85</u>	<u>88,946,860.61</u>	<u>72,448,665.92</u>	<u>57,365,026.17</u>	<u>64,641,260.27</u>	<u>58,130,399.25</u>
Total net debt applicable to the limit as a percentage of debt limit	16.66%	18.13%	20.61%	24.51%	29.34%	35.21%	39.96%	46.48%	33.73%	35.91%

Sources:  
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation  
 (2) Limit set by NJSA 18A:24-19 for a K through 8 district.  
 (3) District Records

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Years  
*Unaudited*

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<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2010	Unavailable	Unavailable	Unavailable	7.60%
2009	39,515	1,838,079,740.00	46,516.00	7.30%
2008	39,207	1,841,474,376.00	46,968.00	4.10%
2007	39,377	1,790,196,551.00	45,463.00	3.20%
2006	40,003	1,742,170,653.00	43,551.00	3.40%
2005	40,245	1,641,794,775.00	40,795.00	3.10%
2004	40,364	1,598,656,584.00	39,606.00	2.50%
2003	40,414	1,535,004,548.00	37,982.00	2.70%
2002	40,373	1,505,872,527.00	37,299.00	2.70%
2001	40,202	1,483,936,224.00	36,912.00	1.90%

(1) Population information provided by the NJ Dept Of Labor and Workforce Development

(2) Personal income has been estimated based upon the municipal population and per capita

(3) Per Capita personal income by municipality-estimated based upon the 2000 Census published

(4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Principal Employers  
 Current Year and Nine Years Ago  
*Unaudited*

Employer	2011			2002		
	Approximate Number of Employees	Rank	Percentage of Total Municipal Employment (1)	Approximate Number of Employees	Rank	Percentage of Total Municipal Employment (1)
PHH Mortgage	4,800	1				
Computer Science Corporation	1,200	2		Information Not Available		
TD Bank	1,178	3				
Lockheed Martin	1,000	4				
ARI	753	5				
ADP Information Systems	561	6				
Okidata Corporation	500	7				
Monarch Art Plastics	300	8				
Teknion	250	9				
GMAC Mortgage	250	10				
	10,792		0.00%	-		0.00%

Source: Township of Mount Laurel Website

(1) Information Not Available

## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<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										
Regular	336	342	344	345	345	349	349	349	351	345
Special education	60	63	64	64	64	62	62	62	62	69
Other special education	74	76	78	91	91	91	91	91	91	91
Other instruction	9	15	19	19	19	19	19	19	19	19
Support Services:										
Student & instruction related services	0	0	0	0	0	0	0	0	0	0
Social Work	2	4	4	4	4	4	4	4	5	5
Health Services	8	8	8	8	8	8	8	8	8	8
Support Services - Students	10	10	10	9	9	9	9	9	9	9
Support Services - Instructional Staff	0	0	0	0	0	0	0	0	0	0
Educational Media / Library	8	8	8	8	8	8	8	8	8	8
Instructional Staff Training Services	4	4	5	5	5	5	5	5	5	5
General administration	5	5	4	4	4	4	4	4	4	4
School administration	10	10	10	13	13	13	13	13	13	12
Central services	13	13	12	12	12	12	12	12	12	11
Administrative Information Technology	1	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	40	40	40	40	40	40	40	40	40	40
Pupil transportation	56	56	56	56	56	54	54	54	54	51
Other support services	57	62	62	62	62	62	61	61	61	61
Food Service	2	2	2	2	2	2	2	2	0	0
<b>Total</b>	<u>695</u>	<u>720</u>	<u>728</u>	<u>744</u>	<u>744</u>	<u>744</u>	<u>743</u>	<u>743</u>	<u>744</u>	<u>740</u>

**Source:** District Personnel Records

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Operating Statistics  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year June 30,	Average Daily Enrollment (ADE) <sup>c</sup>	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2011	4,302	64,644,099.14	15,026.52	4.51%	345	11.41	11.12	N/A	4,301.6	4,135.0	-0.94%	96.13%
2010	4,343	62,445,060.60	14,378.32	4.74%	351	10.92	9.83	N/A	4,342.5	4,171.7	-0.13%	96.07%
2009	4,348	59,686,314.04	13,727.30	-1.31%	349	10.19	11.09	N/A	4,348.1	4,174.5	-1.40%	96.01%
2008	4,410	61,338,367.49	13,909.24	4.79%	349	10.21	12.24	N/A	4,409.9	4,237.5	-2.14%	96.09%
2007	4,506	59,814,451.01	13,273.81	8.25%	349	10.61	12.20	N/A	4,506.2	4,324.1	-0.74%	95.96%
2006	4,540	55,667,905.14	12,262.46	7.35%	345	10.39	11.48	N/A	4,539.7	4,353.1	-0.75%	95.89%
2005	4,574	52,246,861.84	11,423.08	4.17%	345	10.39	11.48	N/A	4,573.8	4,392.1	-0.02%	96.03%
2004	4,575	50,166,738.75	10,966.13	9.82%	344	10.34	11.74	N/A	4,574.7	4,398.5	-0.77%	96.15%
2003	4,610	46,035,138.72	9,985.28	3.10%	342	13.40	14.00	N/A	4,610.3	4,360.3	3.28%	94.58%
2002	4,464	43,234,823.68	9,685.22	4.89%	336	13.40	14.00	N/A	4,464.0	4,298.5	2.41%	96.29%

**Sources:** District records

- 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).

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>District Building</b>										
<u>Elementary</u>										
Countryside (1971)										
Square Feet	30,475	30,475	30,475	30,475	30,475	30,475	30,475	30,475	30,475	30,475
Capacity (students)	418	418	418	418	418	418	418	418	418	418
Enrollment	365	386	395	382	392	365	355	329	365	351
Fleetwood (1963)										
Square Feet	34,784	34,784	34,784	34,784	34,784	34,784	34,784	34,784	34,784	34,784
Capacity (students)	417	417	417	417	417	417	417	417	417	417
Enrollment	355	358	352	357	360	340	349	356	361	353
Hillside (1954)										
Square Feet	39,154	39,154	39,154	39,154	39,154	39,154	39,154	39,154	39,154	39,154
Capacity (students)	443	443	443	443	443	443	443	443	443	443
Enrollment	375	409	450	448	431	404	384	395	390	408
Parkway (1966)										
Square Feet	31,842	31,842	31,842	31,842	31,842	31,842	31,842	31,842	31,842	31,842
Capacity (students)	405	405	405	405	405	405	405	405	405	405
Enrollment	366	360	351	387	372	381	370	381	419	416
Larchmont (1990)										
Square Feet	48,498	48,498	48,498	48,498	48,498	48,498	48,498	48,498	48,498	48,498
Capacity (students)	444	444	444	444	444	444	444	444	444	444
Enrollment	422	452	466	442	421	419	397	404	384	377
Hartford (1995)										
Square Feet	79,063	79,063	79,063	79,063	79,063	79,063	79,063	79,063	79,063	79,063
Capacity (students)	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178
Enrollment	1,067	1,034	1,018	1,057	1,054	1,035	1,029	1,015	947	898
Springville (2001)										
Square Feet	44,480	44,480	44,480	44,480	44,480	44,480	44,480	44,480	44,480	44,480
Capacity (students)	502	502	502	502	502	502	502	502	502	502
Enrollment	498	503	474	461	461	474	451	428	427	452
<u>Middle</u>										
Harrington (1969)										
Square Feet	107,387	107,387	107,387	107,387	107,387	107,387	107,387	107,387	107,387	107,387
Capacity (students)	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213
Enrollment	1,020	1,038	1,080	1,057	1,063	1,087	1,052	1,035	1,027	1,040
<u>Other</u>										
Hattie Britt (1960)										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Masonville (1950)										
Square Feet	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800
Number of Schools at June 30, 2011										
Elementary =	7									
Middle School =	1									
Senior High School =	0									
Other =	2									

**Source:** District Records

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October district count.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

Undistributed Expenditures - Required Maintenance  
 for School Facilities  
 11-000-261-xxx

			Fiscal Year Ended June 30,									
			2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
* School Facilities	School Number	Project # (s)										
Unallocated					309,316.76	326,654.07	321,165.09	334,660.45	351,210.09	382,749.07	423,259.84	437,289.10
Countryside	010	N/A	179,428.26	34,540.97	45,204.26	15,318.12	51,352.92	47,365.79	28,991.83	44,607.84	45,687.66	38,048.08
Fleetwood	045	N/A	159,691.16	47,700.76	107,340.94	19,431.33	42,142.08	36,204.22	51,246.36	28,233.02	53,556.77	34,874.66
Hartford	047	N/A	498,810.57	135,164.83	92,237.38	97,665.09	148,991.36	118,523.37	107,212.53	90,694.34	75,473.74	86,612.05
Hillside	050	N/A	158,262.91	44,862.25	62,948.73	89,008.86	83,970.70	60,825.03	45,925.88	41,331.56	39,605.34	33,370.14
Larchmont	055	N/A	240,433.87	69,090.82	76,978.58	27,528.84	33,583.98	42,417.83	111,430.76	48,564.99	42,574.44	38,863.98
Harrington	060	N/A	526,083.67	154,767.67	123,367.05	101,091.28	114,625.38	114,202.82	309,922.05	185,416.71	86,100.32	103,389.99
Parkway	065	N/A	173,830.10	36,959.04	52,287.89	65,744.13	21,078.34	34,581.27	58,458.51	45,859.24	37,976.09	28,488.65
Springville	075	N/A	281,343.53	69,363.29	95,182.14	57,844.73	121,893.87	65,810.76	140,500.33	115,363.24	88,624.62	73,597.05
<b>Total School Facilities</b>			<u>2,217,884.07</u>	<u>592,449.63</u>	<u>964,863.73</u>	<u>800,286.45</u>	<u>938,803.72</u>	<u>854,591.54</u>	<u>1,204,898.34</u>	<u>982,820.01</u>	<u>892,858.82</u>	<u>874,533.70</u>
Mansonville	999a	N/A	21,079.23	18,928.07	20,204.06	24,323.26	35,569.37	20,380.03	21,869.63	16,400.89	11,467.61	16,562.95
Board Office	999b	N/A	89,714.13	33,612.92	138,121.77	118,426.82	125,916.07	116,601.86	134,718.51	105,474.27	81,184.75	81,897.14
<b>Total Other Facilities</b>			<u>110,793.36</u>	<u>52,540.99</u>	<u>158,325.83</u>	<u>142,750.08</u>	<u>161,485.44</u>	<u>136,981.89</u>	<u>156,588.14</u>	<u>121,875.16</u>	<u>92,652.36</u>	<u>98,460.09</u>
<b>Total</b>			<u>2,328,677.43</u>	<u>644,990.62</u>	<u>1,123,189.56</u>	<u>943,036.53</u>	<u>1,100,289.16</u>	<u>991,573.43</u>	<u>1,361,486.48</u>	<u>1,104,695.17</u>	<u>985,511.18</u>	<u>972,993.79</u>

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

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**

Insurance Schedule

June 30, 2011

*Unaudited*

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	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:		
Property, Inland Marine and Automobile Physical Damages	150,000,000.00	500.00
Boiler and Machinery	125,000,000.00	1,000.00
Crime	500,000.00	500.00
General and Automobile Liability	10,000,000.00	
Workers' Compensation	Statutory	
Educator's Legal Liability	10,000,000.00	
Pollution Legal Liability	3,000,000.00	25,000.00
 Surety Bonds:		
Board Secretary	100,000.00	
Treasurer of School Funds	330,000.00	

Source: District Records

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT  
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND  
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Honorable President and  
Members of the Board of Education  
Township of Mount Laurel School District  
Mount Laurel, New Jersey 08054

**Compliance**

We have audited the Township of Mount Laurel School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2011. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the Township of Mount Laurel School District complied, in all material respects, with the compliance requirements referred to above 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.

**Internal Control Over Compliance**

Management of the Township of Mount Laurel School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Public School Accountant No. CS001112

Woodbury, New Jersey  
October 28, 2011

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Schedule of Expenditures of Federal Awards, Schedule A  
For the Fiscal Year Ended June 30, 2011

Federal Grantor/ Pass-through Grantor / Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2010
				From	To	
<b>General Fund:</b>						
<b>U.S. Department of Homeland Security:</b>						
Passed-through State of NJ Law & Public Safety:						
Public Assistance Grants	97.036	N/A	\$ 33,911.00	7-1-2010	6-30-2011	
General Fund - Total U.S. Department of Homeland Security						-
<b>General Fund:</b>						
<b>U.S. Department of Health and Human Services</b>						
Passed-through State Department of Education:						
Medical Assistance Program	93.778	N/A	49,832.36	7-1-2009	6-30-2010	\$ (21,876.44)
Medical Assistance Program	93.778	N/A	54,251.19	7-1-2010	6-30-2011	
General Fund - Total U.S. Department of Health and Human Services						(21,876.44)
Total General Fund						(21,876.44)
<b>Special Revenue Fund:</b>						
<b>U.S. Department of Education:</b>						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	09-3440	213,054.00	9-1-2008	8-31-2009	1,110.47
Title I	84.010	10-3440	175,492.00	9-1-2009	8-31-2010	(39,063.81)
Title I	84.010	11-3440	172,416.00	9-1-2010	8-31-2011	
Title I SIA	84.010	10-3440	4,918.00	9-1-2009	8-31-2010	(382.00)
Title IIA	84.367	09-3440	83,808.00	9-1-2008	8-31-2009	(11,156.98)
Title IIA	84.367	10-3440	87,166.00	9-1-2009	8-31-2010	(4,738.77)
Title IIA	84.367	11-3440	88,615.00	9-1-2010	8-31-2011	
Title IID	84.318	10-3440	1,567.00	9-1-2009	8-31-2010	(49.50)
Title IID	84.318	11-3440	198.00	9-1-2010	8-31-2011	
Title III	84.365	10-3440	16,450.00	9-1-2009	8-31-2010	(2,980.00)
Title III	84.365	11-3440	14,824.00	9-1-2010	8-31-2011	
Title IV	84.186	09-3440	8,954.00	9-1-2008	8-31-2009	(3,955.92)
Title IV	84.186	10-3440	13,457.00	9-1-2009	8-31-2010	(2,255.53)
I.D.E.I.A. Part B, Basic Regular	84.027	FT-3440	975,186.00	9-1-2009	8-31-2010	(97,996.19)
I.D.E.I.A. Part B, Basic Regular	84.027	FT-3440	1,024,662.00	9-1-2010	8-31-2011	
ARRA - I.D.E.I.A. Part B, Basic Regular	84.391	FT-3440	944,747.00	9-1-2009	8-31-2011	(61,367.24)
I.D.E.I.A. Preschool Incentive	84.173	FT-3440	52,823.00	9-1-2006	8-31-2007	508.00
I.D.E.I.A. Preschool Incentive	84.173	FT-3440	50,822.00	9-1-2009	8-31-2010	(2,365.00)
I.D.E.I.A. Preschool Incentive	84.173	FT-3440	52,258.00	9-1-2010	8-31-2011	
ARRA - I.D.E.I.A. Preschool Incentive	84.392	FT-3440	34,150.00	9-1-2009	8-31-2011	
Special Revenue Fund - Total U.S. Department of Education						(224,692.47)
<b>Enterprise Fund:</b>						
<b>U.S. Department of Agriculture</b>						
Passed-through State Department of Education:						
Non-Cash Assistance (Food Distribution):						
Food Distribution Program	10.555	N/A	70,725.24	7-1-2010	6-30-2011	
Food Distribution Program	10.555	N/A	90,860.00	7-1-2009	6-30-2010	19,789.04
Cash Assistance:						
National School Lunch Program	10.555	N/A	253,876.60	7-1-2010	6-30-2011	
National School Lunch Program	10.555	N/A	227,796.94	7-1-2009	6-30-2010	(22,370.39)
Enterprise Fund - Total U.S. Department of Agriculture						(2,581.35)
Total Federal Financial Assistance						\$ (249,150.26)

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30, 2011		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor
	\$ 33,911.00	\$ (33,911.00)					
-	33,911.00	(33,911.00)	-	-	-	-	-
	21,876.44						
	40,764.62	(54,251.19)			\$ (13,486.57)		
-	62,641.06	(54,251.19)	-	-	(13,486.57)	-	-
-	96,552.06	(88,162.19)	-	-	(13,486.57)	-	-
			\$ (1,110.47)				
	99,898.00	(63,837.00)	2,993.81		(9.00)		
	85,189.00	(123,035.55)			(37,846.55)		
			382.00				
					(11,156.98)		
	12,320.00	(54,737.31)	(11,425.94)		(58,582.02)		
	43,197.00	(47,444.28)			(4,247.28)		
	179.00	(179.50)	50.00				
	134.00	(198.00)			(64.00)		
	2,683.00	(2,742.00)	297.00		(2,742.00)		
	9,886.00	(12,352.80)			(2,466.80)		
	3,955.92						
	6,989.08	(11,185.59)	6,452.04				
	130,406.00	(34,286.68)	1,876.87				
	744,995.00	(928,034.39)			(183,039.39)		
	179,335.00	(151,737.25)			(33,769.49)		
							\$ 508.00
	2,365.00						
	18,121.00	(18,132.88)			(11.88)		
		(11,134.62)			(11,134.62)		
-	1,339,653.00	(1,459,037.85)	(484.69)	-	(345,070.01)	-	508.00
	70,725.24	(61,520.44)				\$ 9,204.80	
		(19,789.04)					
	234,401.02	(253,876.60)			(19,475.58)		
	22,370.39						
-	327,496.65	(335,186.08)	-	-	(19,475.58)	9,204.80	-
\$ -	\$ 1,763,701.71	\$ (1,882,386.12)	\$ (484.69)	\$ -	\$ (378,032.16)	\$ 9,204.80	\$ 508.00

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2011

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance at June 30, 2010</u>		<u>Carryover/ (Walkover) Amount</u>
			<u>From</u>	<u>To</u>	<u>Deferred Revenue / Accounts Receivable</u>	<u>Due to Grantor</u>	
<b>State Department of Education (State Aid):</b>							
<b>General Fund:</b>							
Transportation Aid	10-495-034-5120-014	1,270,612.00	7-1-2009	6-30-2010	\$ (169,486.03)		
Transportation Aid	11-495-034-5120-014	368,080.00	7-1-2010	6-30-2011			
Equalization Aid	10-495-034-5120-078	15,563.00	7-1-2009	6-30-2010	(2,075.94)		
Categorical Special Education Aid	10-495-034-5120-089	1,570,361.00	7-1-2009	6-30-2010	(209,469.35)		
Categorical Special Education Aid	11-495-034-5120-089	2,147,189.00	7-1-2010	6-30-2011			
Categorical Security Aid	10-495-034-5120-084	210,967.00	7-1-2009	6-30-2010	(28,140.75)		
Categorical Security Aid	11-495-034-5120-084	324,179.00	7-1-2010	6-30-2011			
Adjustment Aid	10-495-034-5120-085	863,442.00	7-1-2009	6-30-2010	(115,173.93)		
Extraordinary Aid	10-100-034-5120-473	764,525.00	7-1-2009	6-30-2010	(764,525.00)		
Extraordinary Aid	11-100-034-5120-473	404,809.00	7-1-2010	6-30-2011			
Nonpublic Transportation Aid	10-495-034-5120-044	30,703.00	7-1-2009	6-30-2010	(30,703.00)		
Nonpublic Transportation Aid	11-495-034-5120-044	34,210.23	7-1-2010	6-30-2011			
Reimbursed T.P.A.F. Social Security	10-495-034-5095-002	2,187,478.98	7-1-2009	6-30-2010	(106,832.58)		
Reimbursed T.P.A.F. Social Security	11-495-034-5095-002	2,173,204.82	7-1-2010	6-30-2011			
Total State Aid - General Fund					<u>(1,426,406.58)</u>	<u>-</u>	<u>-</u>
<b>Debt Service Fund:</b>							
Debt Service Aid	11-495-034-5120-125	631,122.00	7-1-2010	6-30-2011			
Total State Aid - Debt Service Fund					<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Revenue Fund:</b>							
N.J. Nonpublic Aid:							
Nursing Aid	11-100-034-5120-070	9,699.00	7-1-2010	6-30-2011			
Chapter 194: Textbook Aid	10-100-034-5120-064	8,464.00	7-1-2009	6-30-2010	93.52		
Chapter 194: Textbook Aid	11-100-034-5120-064	7,332.00	7-1-2010	6-30-2011			
Chapter 193: Handicapped Services	10-100-034-5120-066	21,301.00	7-1-2009	6-30-2010	8,011.22		
Chapter 193: Handicapped Services	11-100-034-5120-066	18,299.00	7-1-2010	6-30-2011			
Total Special Revenue Fund					<u>8,104.74</u>	<u>-</u>	<u>-</u>
<b>Enterprise Fund:</b>							
State School Lunch Program	10-100-010-3360-067	16,816.86	7-1-2009	6-30-2010	(1,657.56)		
State School Lunch Program	11-100-010-3360-067	14,804.29	7-1-2010	6-30-2011			
Total Enterprise Fund					<u>(1,657.56)</u>	<u>-</u>	<u>-</u>
Total State Financial Assistance					<u>\$ (1,419,959.40)</u>	<u>\$ -</u>	<u>\$ -</u>

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

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011			Memo	
				Accounts Receivable	Deferred Revenue	Due to Grantor at	Budetary Receivable 6/30/11	Cumulative Total Expenditures
\$ 169,486.03								
337,065.31		\$ (368,080.00)		\$ (31,014.69)			\$ (31,014.69)	\$ 368,080.00
2,075.94								
209,469.35								
1,966,265.26		(2,147,189.00)		(180,923.74)			(180,923.74)	2,147,189.00
28,140.75								
296,863.43		(324,179.00)		(27,315.57)			(27,315.57)	324,179.00
115,173.93								
764,525.00								
		(404,809.00)		(404,809.00)				404,809.00
30,703.00								
		(34,210.23)		(34,210.23)				34,210.23
106,832.58								
2,067,094.41		(2,173,204.82)		(106,110.41)				2,173,204.82
<u>6,093,694.99</u>	<u>-</u>	<u>(5,451,672.05)</u>	<u>-</u>	<u>(784,383.64)</u>	<u>-</u>	<u>-</u>	<u>(239,254.00)</u>	<u>5,451,672.05</u>
<u>631,122.00</u>		<u>(631,122.00)</u>						<u>631,122.00</u>
<u>631,122.00</u>	<u>-</u>	<u>(631,122.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>631,122.00</u>
9,699.00		(9,699.00)						9,699.00
7,332.00	\$ 0.48	(7,282.46)	\$ (94.00)			\$ 49.50		7,282.46
	1,214.78		(9,226.00)					
18,299.00	(0.46)	(9,805.54)				8,493.00		9,805.54
<u>35,330.00</u>	<u>1,214.76</u>	<u>(26,787.00)</u>	<u>(9,320.00)</u>	<u>-</u>	<u>-</u>	<u>8,542.50</u>	<u>-</u>	<u>26,787.00</u>
1,657.56								
12,848.55		(14,804.29)		(1,955.74)				14,804.29
14,506.11	-	(14,804.29)	-	(1,955.74)	-	-	-	14,804.29
<u>\$ 6,774,653.10</u>	<u>\$ 1,214.76</u>	<u>\$ (6,124,385.34)</u>	<u>\$ (9,320.00)</u>	<u>\$ (786,339.38)</u>	<u>\$ -</u>	<u>\$ 8,542.50</u>	<u>\$ (239,254.00)</u>	<u>\$ 6,124,385.34</u>

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2011

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Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Township of Mount Laurel School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are 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 using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: **RELATIONSHIP TO 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments 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 one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$285,092.00 for the general fund and \$49,781.23 for the special revenue fund. See Exhibit C-3, 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.

**Notes to the Schedules of Expenditures of Federal Awards  
and State Financial Assistance (Cont'd)**

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Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)**

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<b><u>Fund</u></b>	<b><u>Federal</u></b>	<b><u>State</u></b>	<b><u>Total</u></b>
General	\$ 88,162.19	\$ 5,736,764.05	\$ 5,824,926.24
Special Revenue	1,508,819.08	26,787.00	1,535,606.08
Debt Service		631,122.00	631,122.00
Food Service	324,601.84	14,804.29	339,406.13
Total	<u>\$ 1,921,583.11</u>	<u>\$ 6,409,477.34</u>	<u>\$ 8,331,060.45</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: **ADJUSTMENTS**

Amounts reported in the column entitled "Adjustments" represent favorable difference incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2009-2010.

Note 6: **OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution 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.

Note 7: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2011

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? \_\_\_ yes X no

Were significant deficiencies identified that were not considered to be a material weakness? \_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_ yes X no

**Federal Awards**

Internal control over compliance:

Material weaknesses identified? \_\_\_ yes X no

Were significant deficiencies identified that were not considered to be a material weakness? \_\_\_ yes X none reported

Type of auditor's report on compliance for major programs Unqualified

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>84.027</u>	<u>I.D.E.I.A., Part B Program: Basic Regular</u>
<u>84.391</u>	<u>ARRA - I.D.E.I.A., Part B Program: Basic Regular</u>
<u>84.173</u>	<u>I.D.E.I.A., Part B Program: Preschool</u>
<u>84.392</u>	<u>ARRA - I.D.E.I.A., Part B Program: Preschool</u>

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? X yes \_\_\_ no \_\_\_ n/a

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2011

**Section 1- Summary of Auditor's Results (Cont'd)**

**State Financial Assistance**

Internal control over compliance:

Material weaknesses identified? \_\_\_ yes X no

Were significant deficiencies identified that were not considered to be a material weakness? \_\_\_ yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? \_\_\_ yes X no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>
<u>495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Categorical Security Aid</u>
<u>100-034-5120-473</u>	<u>Extraordinary Special Education Aid</u>
<u>495-034-5120-125</u>	<u>Debt Service Aid</u>
<u>495-034-5095-002</u>	<u>Reimbursed T.P.A.F. Social Security</u>

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? X yes \_\_\_ no \_\_\_ n/a

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

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***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

No Current Year Findings.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

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***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

No Current Year Findings.

**TOWNSHIP OF MOUNT LAUREL SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
And Questioned Costs as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

**FINANCIAL STATEMENT FINDINGS**

No Prior Year Findings.

**FEDERAL AWARDS**

No Prior Year Findings.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

No Prior Year Findings.

