

**Comprehensive Annual
Financial Report**

of the

City of Somers Point Board of Education

Somers Point, New Jersey

For the Fiscal Year Ended June 30, 2011

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Introductory Section

SOMERS POINT BOARD OF EDUCATION

NEW YORK AVENUE SCHOOL
121 W. New York Avenue
Somers Point, New Jersey 08244
Phone: (609) 927-2053
Fax: (609) 927-7351

Jeffrey H. Miller
Superintendent of Schools

Suzanne Keller
Business Administrator
Board Secretary

September 12, 2011

Honorable President and
Members of the Board of Education
City of Somers Point School District
County of Atlantic, New Jersey

Dear Board Members:

The comprehensive annual financial report of the City of Somers Point 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 Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report (CAFR) is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments and Non-Profit Organizations*," and New Jersey OMB's Circular 04-04, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*." 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 City of Somers Point School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The City of Somers Point Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2010-2011 fiscal year with an enrollment of 1,065, which is 27 students less than the previous year's enrollment (count includes out-of-district placements).

The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-2011	1,065	-2.47%
2009-2010	1,092	-5.13%
2008-2009	1,151	0.70%
2007-2008	1,143	-2.05%
2006-2007	1,167	-2.75%

2. ECONOMIC CONDITION AND OUTLOOK

The 2010/2011 combined school operating budget and debt service resulted in a *zero* cent tax impact on the tax rate. The economic condition of Somers Point continues to be positive, and the populous of the city tends to be stable from year to year with regard to new student enrollments.

3. MAJOR INITIATIVES

During the 2010/2011 school year, the Board of Education in concert with the Superintendent, renewed commitments to the District by developing the following goals:

- **Instructional Goals.** Students will show growth in reading and writing through the implementation of the balanced literacy program, targeted literacy intervention for at-risk students, and the use of data to inform instruction as evidenced by the Diagnostic Reading Assessment and writing portfolios. In order to create a culture of collaboration, teacher leadership programs and action-based research projects have been developed. Students are expected to show growth in math through the hiring of a full-time math coach, targeted professional development, and by restructuring the middle school schedule to provide more instructional time for math.

Grade level Professional Learning Communities have developed SMART goals focusing on improving student achievement; small group intervention strategies will be implemented based on formative benchmark assessments.

- Professional Development Goals. To build a community of lifelong learners who through professional learning communities, after school workshops, in-service, book clubs, college course work, and other opportunities continue to enhance educational practice and incorporate research based instruction strategies to improve student achievement as evidenced by participation in professional activities.

The Math Specialist, Reading Specialist, and Technology Specialist will conduct professional development opportunities to review best practices with all staff. Online resources for professional development on demand, offers teachers a resource to have professional development customized to their needs.

- Facility Goals. In order to maximize the life of each facility, and increase safety to the general population of the City of Somers Point, several capital improvements have been completed over the summer/early fall. These projects have been partially funded through the state R.O.D. Grant Program and local funds. Through the repair and/or upgrades to existing infrastructures of the district, has enhanced safety to the students, staff, and community. Additionally, all capital project elements aid with insuring greater risk management practices throughout the district.
- Shared Services. To continually examine shared services as they relate to the operation of the district. The benefits of shared services promote conservation of many resources which the district manages; and also aids in maintaining a steadfast budget.

4. INTERNAL ACCOUNTING CONTROLS

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's 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 City of Somers Point School 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. 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, 2011.

6. ACCOUNTING SYSTEM AND REPORTS

The City of Somers Point School District's accounting records reflect accounting principals 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. CASH MANAGEMENT

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

8. RISK MANAGEMENT

Our Board of Education is a member of the Atlantic and Cape May Counties School Business Officials Joint Insurance Funds (ACCASBOJIF). This Fund was formed under the provision of N.J.S.A. 18A: 18B1-10.

The ACCASBOJIF provides members with a long-term alternative to the conventional insurance marketplace and is a means of stabilizing the otherwise cyclical nature of insurance expenditures. The Fund provides the following coverage:

1. Property, including buildings, contents, inland marine, crime, boiler and machinery, and auto physical damage
2. General Liability, including school board legal liability

3. Automobile Liability
4. Workers' Compensation

The Fund provides coverage to its members either directly or through the commercial insurance market, through one or more of the following vehicles: excess insurance, reinsurance or an excess property and casualty joint insurance fund.

The Fund's Mission Statement is as follows: "The ACCASBOJIF is committed to uniting local school districts in a joint effort to better manage their risks and assure fiscal stability by providing cost-effective, comprehensive insurance coverage and minimizing losses through proactive membership involvement in claims management and loss prevention activities."

Fidelity bonds are covered through an outside insurance carrier as required by the state statutes.

9. OTHER INFORMATION

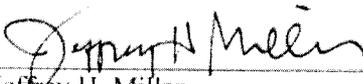
- A) **Independent Audit** – State statutes require an annual audit by independent certified public accounts or registered municipal accountants. The accounting firm of Ford-Scott, and Associates, L.L.C., CPAs, is appointed by the Board on an annual basis. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as revised and the related Office of Management and Budget Circular A-133 and New Jersey OMB's Circular 04-04. The auditor's report on the financial statements and combining the individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS

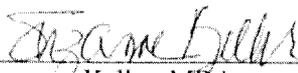
We would like to express our appreciation to the members of the City of Somers Point Board of Education for their continued dedication and support in providing fiscal accountability to the citizens and taxpayers of the school district, while at the same time, striving to provide the children of Somers Point with the highest quality education possible and contributing full support to the development and maintenance of our financial operation.

Appreciation is further extended to the District Business Office staff for their knowledge and continued dedication in the various business elements within the educational environment. The 2010/2011 school year experienced again, an increase in responsibilities established by the state government, which required an increase in workload throughout the district. Each staff member of the district office proved dedication and support which is genuinely appreciated by Administration.

Respectfully submitted,

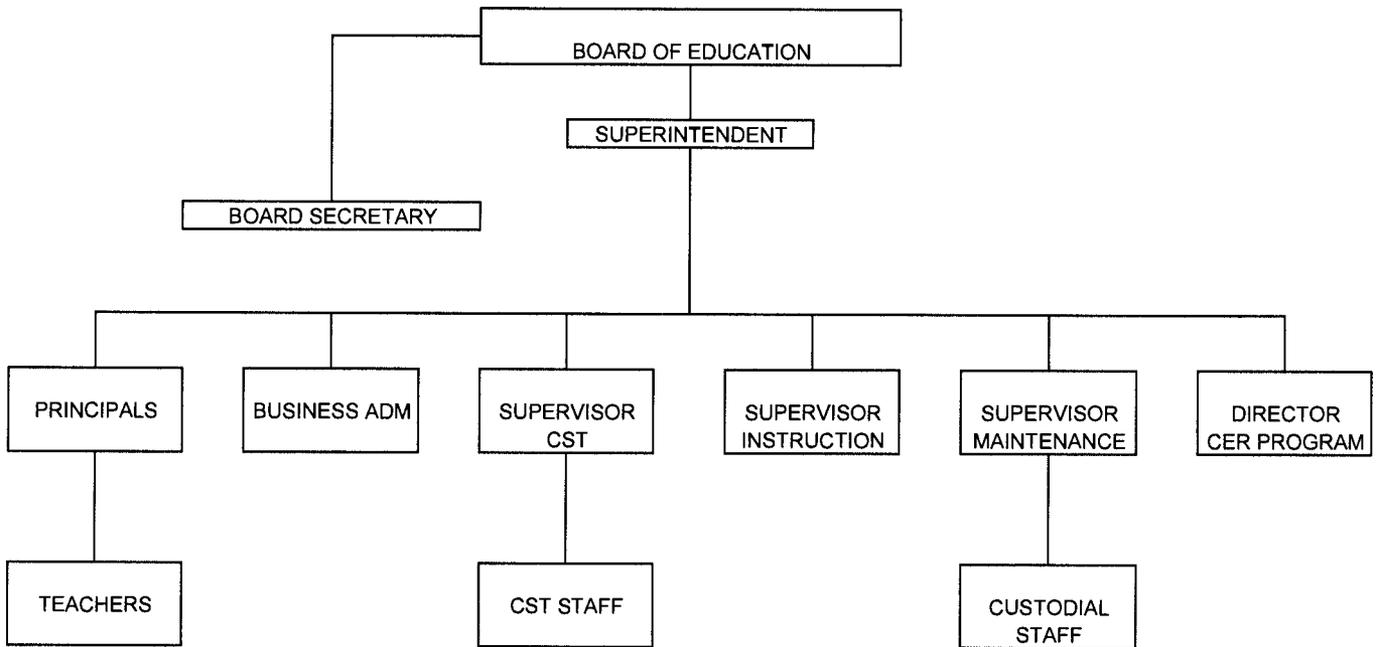


Jeffrey H. Miller
Superintendent of Schools



Suzanne Keller, MBA
Business Administrator / Board Secretary

SOMERS POINT BOARD OF EDUCATION
ORGANIZATIONAL CHART



SOMERS POINT SCHOOL DISTRICT
COUNTY OF ATLANTIC, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2011

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Joseph Toland, President	2013
William August, Vice President	2013
Albert W. Becker	2012
Karen Broomall	2012
Trevor Costanza	2014
Joseph H. Hall	2013
Jeanne Carlson	2014
Constance J. Hiles	2014
Nicholas Wagner	2012

OTHER OFFICIALS

Jeff Miller, Superintendent

Suzanne Keller, Business Administrator/ Board Secretary

John Hansen, Treasurer

**SOMERS POINT SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

ARCHITECT

Faridy, Veisz, Hopkins & Duthie, PC
1515 Lower Ferry Road
Trenton, NJ 08628

AUDIT FIRM

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1535 Haven Avenue
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Newark, NJ 07102

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Dennis Brown
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OFFICIAL DEPOSITORY

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226 Landis Ave.
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Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
City of Somers Point School District
County of Atlantic
Somers Point, New Jersey

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2011 on our consideration of the City of Somers Point Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of the 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 Management Discussion and Analysis and Budgetary Comparison Information as listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Somers Point Board of Education's basic financial statements. The accompanying introductory section, combining statements, and related major fund supporting statements and schedules, and statistical information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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.

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS



Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

October 21, 2011

Required Supplementary Information – Part I

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED**

The discussion and analysis of Somers Point 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 basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets increased \$1,121,848.46, which represents a 17.74 percent increase from 2010.
- General revenues accounted for \$15,623,680.67 of total revenue or 88.57 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$2,015,862.74 or 11.43 percent of total revenues of \$17,639,543.41.
- Total assets of governmental activities increased by \$1,154,439.06 as cash and cash equivalents increased by \$3,602,188.23, receivables decreased by \$721,966.95, capital assets increased by \$290,703.13 and other assets decreased by \$2,174.19.
- The School District had \$16,517,694.95 in expenses; only \$2,015,862.74 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$15,623,680.67 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$14,079,668.03 in revenues and \$13,841,415.01 in expenditures. The General Fund's fund balance increased \$238,253.02 from 2010.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Somers Point School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Somers Point School District, the General Fund is by far the most significant fund.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District, as a whole looks at all financial transactions and ask the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found on pages 30 to 51 of this report.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net assets for 2011 and 2010.

Table 1
Net Assets

	2011	2010
Assets		
Current and Other Assets	\$ 5,100,794.69	\$ 2,264,889.27
Capital Assets	8,186,660.05	7,895,956.92
Total Assets	13,287,454.74	10,160,846.19
Liabilities		
Long-Term Liabilities	4,657,248.36	1,438,490.33
Other Liabilities	1,184,424.57	2,398,422.51
Total Liabilities	5,841,672.93	3,836,912.84
Net Assets		
Invested in Capital Assets, Net of Debt	3,660,227.75	5,852,698.81
Restricted	3,424,884.95	997,327.78
Unrestricted	360,669.11	(526,093.24)
Total Net Assets	\$ 7,445,781.81	\$ 6,323,933.35

The District's combined net assets were \$7,445,781.81 on June 30, 2011. This was an increase of 17.74 percent from the prior year.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

The School District as a Whole (Continued)

Table 2 shows changes in net assets for fiscal year 2011 and 2010.

**Table 2
Changes in Net Assets**

	2011	2010
Revenues		
Program Revenues:		
Charges for Services	\$ 145,829.63	\$ 216,396.28
Operating Grants and Contributions	1,663,147.49	2,769,460.20
Capital Grants and Contributions	206,885.62	
General Revenues:		
Property Taxes	8,675,281.00	8,621,130.00
Grants and Entitlements	6,867,314.81	5,573,502.97
Other	81,084.86	62,423.25
Total Revenues	17,639,543.41	17,242,912.70
Program Expenses		
Instruction	10,784,540.71	10,498,869.39
Support Services:		
Tuition	178,645.32	446,018.03
Related Services - Pupils and Instructional Staff	2,283,287.78	2,426,798.23
General Administration, School Administration	1,097,430.23	1,071,923.20
Maintenance of Facilities	1,247,036.78	1,237,252.33
Pupil Transportation	250,452.70	290,119.15
Business and Other Support Services	345,634.98	334,019.26
Special Schools and Charter Schools	31,523.00	109,285.00
Food Service	27,884.30	26,996.64
Interest on Debt	90,664.73	117,933.66
Unallocated Depreciation and Amortization	2,174.19	2,174.19
CER Program	178,420.23	269,396.90
Total Expenses	16,517,694.95	16,830,785.98
Increase in Net Assets	\$ 1,121,848.46	\$ 412,126.72

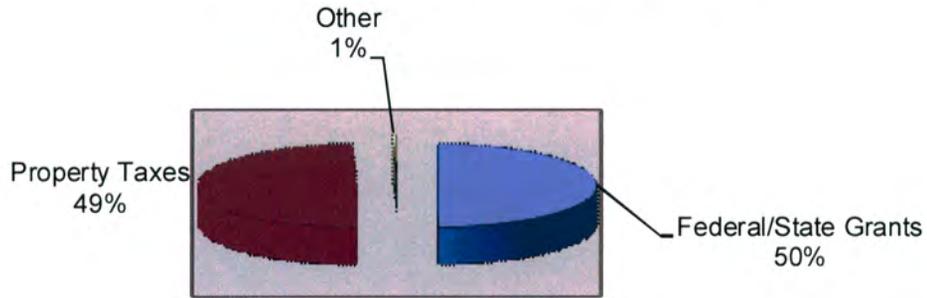
Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 49 percent of revenues for governmental activities for the Somers Point School District for fiscal year 2011 and 50 percent for fiscal year 2010. Property tax revenues increased by \$54,151.00 which is an increase of less than 1 percent from 2010. The District's total revenues were \$17,493,713.78 for the year ended June 30, 2011. Federal, state, and local grants accounted for 50 percent of revenue.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

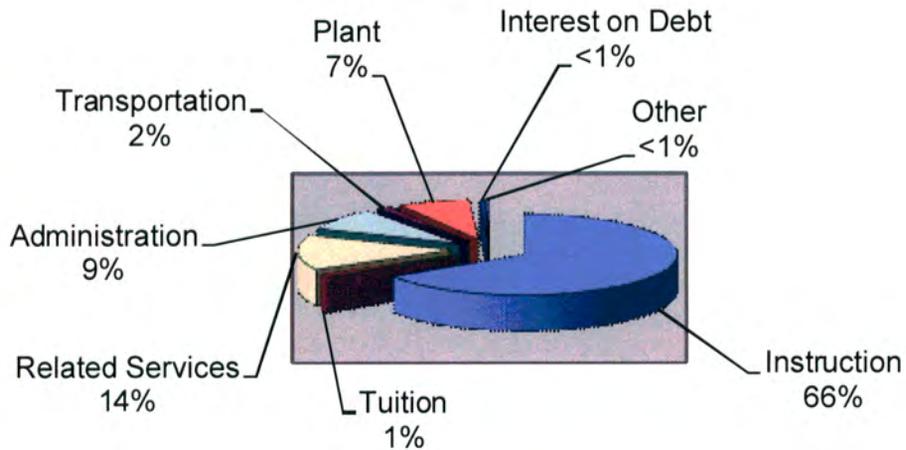
Governmental Activities (Continued)

Sources of Revenue for Fiscal Year 2011



The total cost of all program and services was \$16,339,274.72. Instruction comprises 66 percent of District expenses.

Expenses for Fiscal Year 2011



**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Business-Type Activities

Revenues for the District's business-type activities (CER program) are comprised of charges for services.

- CER expenses exceeded revenues by \$32,590.60.
- Charges for CER represent \$145,829.63 of revenue. This represents amounts paid by patrons for participant fees.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	<u>Total Cost of Services 2011</u>	<u>Net Cost of Services 2011</u>	<u>Total Cost of Services 2010</u>	<u>Net Cost of Services 2010</u>
Instruction	\$ 10,784,540.71	\$ 9,107,050.60	\$ 10,498,869.39	\$ 8,299,195.92
Support Services:				
Tuition	178,645.32	178,645.32	446,018.03	446,018.03
Pupils and Instructional Staff	2,283,287.78	2,283,287.78	2,536,083.23	2,378,478.12
General Administration, School Administration, Business Operations and Maintenance of Facilities	2,717,986.29	2,717,986.29	2,643,194.79	2,531,279.18
Pupil Transportation	250,452.70	250,452.70	290,119.15	215,877.14
Interest and Fiscal Charges	90,664.73	(101,878.27)	117,933.66	(108,090.34)
Other	33,697.19	33,697.19	29,170.83	29,170.83
Total Expenses	<u>\$ 16,339,274.72</u>	<u>\$ 14,469,241.61</u>	<u>\$ 16,561,389.08</u>	<u>\$ 13,791,928.88</u>

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

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

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

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

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Governmental Activities (Continued)

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

"Other" includes special schools and unallocated depreciation.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$17,286,828.16 and expenditures were \$17,357,451.78. The net increase in fund balance for the year was \$3,372,376.38 which includes issuance of bonds in the amount of \$3,443,000.00.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Local Sources	\$ 8,756,365.86	50.7% \$	72,812.61	0.8%
State Sources	7,006,919.54	40.5%	969,275.11	16.1%
Federal Sources	1,523,542.76	8.8%	(781,775.98)	-33.9%
Total	<u>\$ 17,286,828.16</u>	100.0% \$	<u>260,311.74</u>	1.5%

State revenues increased by \$969,275.11. This increase in State revenues is partly a result of the district receiving a capital grant to help cover the costs of improvements to school buildings in the district. The Federal revenues decreased by \$781,775.98. The decrease was predominantly due to the American Recovery and Reinvestment Act funding in 2010.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

The School District's Funds (Continued)

The following schedule represents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2011, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 7,519,472.15	43.3%	\$ (193,765.73)	-2.5%
Undistributed expenditures	8,194,456.95	47.2%	(280,306.32)	-3.3%
Capital Outlay	591,855.68	3.4%	461,863.26	355.3%
Debt Service	1,051,667.00	6.1%	(750.00)	-0.1%
Total	<u>\$ 17,357,451.78</u>	100.0%	<u>\$ (12,958.79)</u>	-1.0%

Changes in expenditures were the results of varying factors. Capital Outlay increased due to various projects that were begun in 2011.

General Fund Budgeting Highlights

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

Capital Assets

At the end of the fiscal year 2011, the School District had \$8,186,660.05 invested in land, building and machinery and equipment. Table 4 shows fiscal year 2011 balances compared to 2010.

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

	<u>2011</u>	<u>2010</u>
Land and Land Improvements	\$ 83,182.49	\$ 89,777.24
Construction in Progress	515,929.68	-
Building and Building Improvements	7,432,515.71	7,681,845.68
Machinery and Equipment	155,032.17	124,334.00
Total	<u>\$ 8,186,660.05</u>	<u>\$ 7,895,956.92</u>

Overall capital assets increased \$290,703.13 from fiscal year 2010 to fiscal year 2011. The increase in capital assets is due to additions to capital assets being more than depreciation expense. For more detailed information, please refer to the Notes to the Financial Statements.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Debt Administration

At June 30, 2011, the School District had \$4,952,248.36 of outstanding debt. Of this amount, \$406,248.36 is for compensated absences and \$4,546,000.00 of serial bonds relating to several capital improvement projects.

**Table 5
Bonded Outstanding Debt at June 30**

	2011		2010
2004 School bonds	\$ -	\$	892,000.00
1996 School Bonds	1,103,000.00		1,173,000.00
2011 School Bonds	3,443,000.00		-
Total	\$ 4,546,000.00	\$	2,065,000.00

At June 30, 2011, the School District's remaining legal debt margin available was \$41,753,146.00. For more detailed information, please refer to the Notes to the Financial Statements.

For the Future

The Somers Point School District is in good financial condition presently. The School District is proud of its community support of the public schools.

The District continues to provide quality education programs while continuing to stabilize the tax rate in Somers Point. In conclusion, the Somers Point School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Suzanne Keller, Business Administrator at Somers Point School District, 121 West New York Avenue, Somers Point, New Jersey 08244.

Basic Financial Statements

DISTRICT – WIDE FINANCIAL STATEMENTS

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,154,217.75	\$ 22,692.69	\$ 1,176,910.44
Receivables, Net (Note #3)	609,897.36	49.55	609,946.91
Restricted Assets:			
Cash Reserve Account	3,294,369.64		3,294,369.64
Deferred Bond Issuance Costs (Note #7)	19,567.70		19,567.70
Capital Assets, Net (Note #5)	8,186,660.05	-	8,186,660.05
Total Assets	<u>13,264,712.50</u>	<u>22,742.24</u>	<u>13,287,454.74</u>
LIABILITIES			
Accounts Payable	531,825.94	772.90	532,598.84
Payable to Other Governments	36,970.00		36,970.00
Deferred Revenue	299,575.73	20,280.00	319,855.73
Noncurrent Liabilities (Note #6)			
Due Within One Year	295,000.00		295,000.00
Due Beyond One Year	4,657,248.36		4,657,248.36
Total Liabilities	<u>5,820,620.03</u>	<u>21,052.90</u>	<u>5,841,672.93</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	3,660,227.75	-	3,660,227.75
Restricted for:			
Debt Service	(34,020.99)		(34,020.99)
Capital Projects	3,268,905.94		3,268,905.94
Other Purposes	190,000.00		190,000.00
Unrestricted	358,979.77	1,689.34	360,669.11
Total Net Assets	<u>\$ 7,444,092.47</u>	<u>\$ 1,689.34</u>	<u>\$ 7,445,781.81</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2011

Function/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 7,073,713.20	\$ -	\$ -	\$ 206,885.62	\$ (6,866,827.58)	\$ -	\$ (6,866,827.58)
Special Education	3,349,397.70		1,470,604.49		(1,878,793.21)		(1,878,793.21)
Other Special Instruction	361,429.81				(361,429.81)		(361,429.81)
Support Services:							
Tuition	178,645.32				(178,645.32)		(178,645.32)
Student & Instruction Related Services	2,283,287.78				(2,283,287.78)		(2,283,287.78)
School Administrative Services	669,600.64				(669,600.64)		(669,600.64)
General Administrative Services	427,829.59				(427,829.59)		(427,829.59)
Plant Operation and Maintenance	1,247,036.78				(1,247,036.78)		(1,247,036.78)
Pupil Transportation	250,452.70				(250,452.70)		(250,452.70)
Central Services	345,634.98				(345,634.98)		(345,634.98)
Food Service	27,884.30				(27,884.30)		(27,884.30)
Charter Schools	31,523.00				(31,523.00)		(31,523.00)
Interest on Long-Term Debt	90,664.73		192,543.00		101,878.27		101,878.27
Unallocated Depreciation and Amortization	2,174.19				(2,174.19)		(2,174.19)
Total Governmental Activities	16,339,274.72	-	1,663,147.49	206,885.62	(14,469,241.61)	-	(14,469,241.61)
Business-Type Activities:							
Community Education Recreation Program	178,420.23	145,829.63				(32,590.60)	(32,590.60)
Total Business-Type Activities	178,420.23	145,829.63				(32,590.60)	(32,590.60)
Total Primary Government	\$16,517,694.95	\$ 145,829.63	\$ 1,663,147.49	\$ 206,885.62	\$ (14,469,241.61)	\$ (32,590.60)	\$ (14,501,832.21)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 7,816,157.00	\$ -	\$ 7,816,157.00
Taxes Levied for Debt Service					859,124.00		859,124.00
Federal and State Aid not Restricted					6,867,314.81		6,867,314.81
Investment Earnings					11,486.85		11,486.85
Miscellaneous Income					69,598.01		69,598.01
Total General Revenues, Special Items, Extraordinary Items and Transfers					15,623,680.67		15,623,680.67
Change in Net Assets					1,154,439.06	(32,590.60)	1,121,848.46
Net Assets - Beginning					6,289,653.41	34,279.94	6,323,933.35
Net Assets - Ending					\$ 7,444,092.47	\$ 1,689.34	\$ 7,445,781.81

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

FUND FINANCIAL STATEMENTS

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 1,140,185.58	\$ 14,032.17	\$ -	\$ -	\$ -	\$ 1,154,217.75
Receivables from Other Governments	55,199.38	332,680.14	206,885.62			594,765.14
Interfunds Receivable				844.32		844.32
Other Accounts Receivable	15,132.22					15,132.22
Restricted Cash and Cash Equivalents	324,100.00		2,970,269.64			3,294,369.64
Total Assets	\$ 1,534,617.18	\$ 346,712.31	\$ 3,177,155.26	\$ 844.32	\$ -	\$ 5,059,329.07
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 417,117.25	\$ 150,172.99	\$ 41,505.00	\$ -	\$ -	\$ 608,795.24
Interfunds Payable			844.32			844.32
Payable to Governments		36,970.00				36,970.00
Deferred Revenue		187,741.12				187,741.12
Total Liabilities	417,117.25	374,884.11	42,349.32	-	-	834,350.68
Fund Balances:						
Nonspendable:						
None						
Restricted for:						
Excess Surplus - Current Year	444,760.79					444,760.79
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	246,222.00					246,222.00
Maintenance Reserve	190,000.00					190,000.00
Capital Reserve	134,100.00					134,100.00
Debt Service				844.32		844.32
Capital Projects			(1,106,277.31)			(1,106,277.31)
Committed to:						
Other Purposes			4,241,083.25			4,241,083.25
Assigned to:						
Designated by the BOE for Subsequent Year's Expenditures	250,000.00					250,000.00
Other Purposes	38,171.34					38,171.34
Unassigned:						
General Fund	(185,754.20)					(185,754.20)
Special Revenue Fund		(28,171.80)				(28,171.80)
Total Fund Balances	1,117,499.93	(28,171.80)	3,134,805.94	844.32	-	4,224,978.39
Total Liabilities and Fund Balances	\$ 1,534,617.18	\$ 346,712.31	\$ 3,177,155.26	\$ 844.32	\$ -	

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 \$12,633,226.71 and the accumulated depreciation is \$4,446,566.66.

8,186,660.05

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

(4,952,248.36)

Bond issuance costs are reported in the governmental fund as expenditures in the year the bonds are issued but are amortized over the life of the bonds on the statement of activities. (See Note #7)

19,567.70

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

(34,865.31)

Net assets of governmental activities

\$ 7,444,092.47

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES						
Local Sources:						
Local Tax Levy	\$ 7,816,157.00	\$ -	\$ -	\$ 859,124.00	\$ -	\$ 8,675,281.00
Tuition	37,226.41					37,226.41
Interest Earned on Investments	9,792.53					9,792.53
Miscellaneous	32,371.60		1,694.32			34,065.92
Total Local Sources	7,895,547.54	-	1,694.32	859,124.00	-	8,756,365.86
State Sources	6,126,001.82	481,489.10	206,885.62	192,543.00		7,006,919.54
Federal Sources	58,118.67	1,465,424.09				1,523,542.76
Total Revenues	<u>14,079,668.03</u>	<u>1,946,913.19</u>	<u>208,579.94</u>	<u>1,051,667.00</u>	<u>-</u>	<u>17,286,828.16</u>
EXPENDITURES						
Current:						
Regular Instruction	4,806,047.01					4,806,047.01
Special Education Instruction	990,268.67	1,470,604.49				2,460,873.16
Other Special Instruction	252,551.98					252,551.98
Support Services:						
Tuition	178,645.32					178,645.32
Student & Instruction Related Serv.	1,380,422.89	443,647.60				1,824,070.49
School Administrative Services	484,299.08					484,299.08
General Administrative Services	331,220.67					331,220.67
Plant Operation and Maintenance	1,095,619.80					1,095,619.80
Pupil Transportation	243,793.81					243,793.81
Central Services	248,973.35					248,973.35
Employee Benefits	3,728,427.13					3,728,427.13
Food Service Program	27,884.30					27,884.30
Debt Service:						
Principal				962,000.00		962,000.00
Interest and Other Charges				89,667.00		89,667.00
Capital Outlay	41,738.00	34,188.00	515,929.68			591,855.68
Transfer of Funds to Charter Schools	31,523.00					31,523.00
Total Expenditures	<u>13,841,415.01</u>	<u>1,948,440.09</u>	<u>515,929.68</u>	<u>1,051,667.00</u>	<u>-</u>	<u>17,357,451.78</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>238,253.02</u>	<u>(1,526.90)</u>	<u>(307,349.74)</u>	<u>-</u>	<u>-</u>	<u>(70,623.62)</u>
OTHER FINANCING SOURCES (USES)						
Bond Proceeds			3,443,000.00			3,443,000.00
Transfer in				844.32		844.32
Transfer out			(844.32)			(844.32)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>3,442,155.68</u>	<u>844.32</u>	<u>-</u>	<u>3,443,000.00</u>
Net Changes in Fund Balance	238,253.02	(1,526.90)	3,134,805.94	844.32	-	3,372,376.38
Fund Balance - July 1	879,246.91	(26,644.90)	-	-	-	852,602.01
Fund Balance - June 30	<u>\$ 1,117,499.93</u>	<u>\$ (28,171.80)</u>	<u>\$ 3,134,805.94</u>	<u>\$ 844.32</u>	<u>\$ -</u>	<u>\$ 4,224,978.39</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2011

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 3,372,376.38

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, on 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 current fiscal year.

Depreciation expense	\$ (290,940.55)	
Amortization expense	(2,174.19)	
Capital Outlay	581,643.68	288,528.94

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.

Bonds Payable	962,000.00	962,000.00
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Proceeds from debt issues are a financing source in the governmental funds. They are not a revenue in the statement of activities; issuing debt increases long - term liabilities in the statement of net assets.

Bonds Issued		(3,443,000.00)
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) 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 a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

(24,468.53)

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

(997.73)

Change in Net Assets of Governmental Activities

\$ 1,154,439.06

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Net Assets
June 30, 2011

	CER Program	Totals
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 22,692.69	\$ 22,692.69
Accounts Receivable	49.55	49.55
Total Current Assets	<u>22,742.24</u>	<u>22,742.24</u>
Noncurrent Assets:		
Furniture, Machinery & Equipment	4,668.00	4,668.00
Less: Accumulated Depreciation	<u>(4,668.00)</u>	<u>(4,668.00)</u>
Total Noncurrent Assets	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 22,742.24</u>	<u>\$ 22,742.24</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 772.90	\$ 772.90
Deferred Revenues	20,280.00	20,280.00
Total Current Liabilities	<u>21,052.90</u>	<u>21,052.90</u>
Noncurrent Liabilities:		
None	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>
NET ASSETS		
Invested in Capital Assets Net of Related Debt	-	-
Unrestricted	1,689.34	1,689.34
Total Net Assets	<u>\$ 1,689.34</u>	<u>\$ 1,689.34</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2011

	<u>CER Program</u>	<u>Totals Enterprise</u>
Operating Revenues:		
Local Sources:		
Participant Fees	\$ 145,829.63	\$ 145,829.63
Total Operating Revenue	<u>145,829.63</u>	<u>145,829.63</u>
Operating Expenses:		
Salaries	147,635.35	147,635.35
Purchased Contracted Services	23,297.09	23,297.09
Supplies and Materials	7,487.79	7,487.79
Total Operating Expenses	<u>178,420.23</u>	<u>178,420.23</u>
Operating Income (Loss)	(32,590.60)	(32,590.60)
Other Financing Sources/(Uses):		
None	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>
Changes in Net Assets	(32,590.60)	(32,590.60)
Total Net Assets - Beginning	<u>34,279.94</u>	<u>34,279.94</u>
Total Net Assets - Ending	<u>\$ 1,689.34</u>	<u>\$ 1,689.34</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2011

	<u>CER Program</u>	<u>Totals Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 142,843.84	\$ 142,843.84
Payments to Employees	(147,635.35)	(147,635.35)
Payments for Purchased Contracted Services	(25,386.07)	(25,386.07)
Payments for Supplies	(7,487.79)	(7,487.79)
Net Cash Provided by (Used for) Operating Activities	<u>(37,665.37)</u>	<u>(37,665.37)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(37,665.37)	(37,665.37)
Balance - Beginning of Year	60,358.06	60,358.06
Balance - End of Year	<u>\$ 22,692.69</u>	<u>\$ 22,692.69</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (32,590.60)	\$ (32,590.60)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Net Amortization	-	-
(Increase)/Decrease in Accounts Receivable	4,476.30	4,476.30
Increase/(Decrease) in Accounts Payable	(2,088.98)	(2,088.98)
Increase/(Decrease) in Deferred Revenues	(7,462.09)	(7,462.09)
Total Adjustments	<u>(5,074.77)</u>	<u>(5,074.77)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (37,665.37)</u>	<u>\$ (37,665.37)</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Assets
June 30, 2011

	Unemployment Compensation	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and Cash Equivalents	\$ 154,226.77	\$ -	\$ 34,708.15
Intrafund Receivable	5,426.64		-
Total Assets	<u>159,653.41</u>	<u>-</u>	<u>34,708.15</u>
LIABILITIES			
Payable to Student Groups			\$ 29,281.51
Intrafund Payable			5,426.64
Accounts Payable	1,462.11		-
Total Liabilities	<u>1,462.11</u>	<u>\$ -</u>	<u>\$ 34,708.15</u>
NET ASSETS			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 158,191.30</u>		

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Unemployment Compensation	Private Purpose Scholarship Fund
ADDITIONS		
Contributions:		
Plan Member	\$ 16,027.03	\$ -
Total Contributions	16,027.03	-
Investment Earnings:		
Interest	651.61	
Net Investment Earnings	651.61	-
Total Additions	16,678.64	-
DEDUCTIONS		
Unemployment Claims	22,647.60	
Total Deductions	22,647.60	-
Changes in Net Assets	(5,968.96)	-
Net Assets - Beginning of the Year	164,160.26	
Net Assets - End of the Year	\$ 158,191.30	\$ -

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of City of Somers Point School District (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 more significant of the Board's accounting policies are described below.

A. Reporting Entity

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is a Type II district located in Atlantic County. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the district is to educate students in grades K-8. The District operates an elementary school and an elementary/middle school located in City of Somers Point. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name);
- the District holds the corporate powers of the organization;
- the District appoints a voting majority of the organization's board;
- the District is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the District;
- there is a fiscal dependency by the organization on the District;

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

B. Basis of Presentation, Measurement Focus and Basis of Basis of Accounting

Basis of Presentation

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

District-Wide Financial Statements: The statement of net assets and the statement of activities display information about the district as a whole. These statements report the financial activities of the overall District, except for fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by property taxes, intergovernmental revenues, and other non-exchange transactions from business-type activities, generally financed in whole or in part with fees charged to external parties.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

The statement of net assets presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges and fees paid by the recipients of goods or services offered by the programs; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing, or draws from the general revenues of the School District.

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

Governmental Funds

The District reports the following governmental funds:

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

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Basis of Accounting - Continued

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

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

Proprietary Funds

The District reports the following proprietary fund:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business operations – where the intent of the District is that the costs of providing goods or services be financed or recovered primarily through user charges.

The District's Enterprise Fund is comprised of the Community Education Recreation (CER) Program.

Fiduciary Funds

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include the Unemployment Compensation Insurance Trust.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Agency Funds - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Basis of Accounting - Continued

Measurement Focus and Basis of Accounting

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

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net assets (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net assets.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Revenue from federal, state and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The District applies only those applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 in accounting and reporting for its proprietary operations.

C. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g). All budget amendments/transfer must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgets/Budgetary Control - Continued

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

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports. The following table presents a reconciliation of the differences between the budgetary basis and GAAP basis in the general and special revenue funds at June 30, 2011.

	2011	
	General Fund	Special Revenue Fund
Total Revenues (Budgetary Basis)	\$ 14,003,034.13	\$ 1,920,354.57
Adjustments:		
Encumbrances at June 30,		
Prior Year		177,488.26
Current Year		(149,402.74)
Prior Year State Aid Payment	539,391.10	26,644.90
Deferral of Final State Aid Payment	(462,757.20)	(28,171.80)
Total Revenues (GAAP Basis)	\$ 14,079,668.03	\$ 1,946,913.19
Total Expenditures (Budgetary Basis)	\$ 13,841,415.01	\$ 1,920,354.57
Adjustments:		
Encumbrances at June 30,		
Prior Year		177,488.26
Current Year		(149,402.74)
Total Expenditures (GAAP Basis)	\$ 13,841,415.01	\$ 1,948,440.09

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Encumbrance Accounting

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

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

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

E. Assets, Liabilities and Equity

Cash, Cash Equivalents and Investments

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

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

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

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Interfund Transactions

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

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

Inventories

Inventories, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first out method. In the fund based financial statements, commodities received from the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

Capital Assets

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

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over their estimated useful lives. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Compensated Absences

The District accounts for compensated absences (e.g., unused sick, vacation leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received in the Special Revenue Fund before they have been earned are recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Net Assets

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

Fund Balance Reserves

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classified governmental fund balances as follows;

- Non-spendable – Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.
- Restricted – Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end.
- Assigned – Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Education, Superintendent or Business Administrator.
- Unassigned – Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Revenues – Exchange and Nonexchange Transactions

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Revenues – Exchange and Nonexchange Transactions - Continued

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlement, and donations is recognized in the period in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Operating Revenues and Expenses

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

Allocation of Indirect Expenses

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

Extraordinary and Special Items

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

Management Estimates

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

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 might 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. At June 30, 2010, the carrying amount of the Board's deposits were \$4,660,215.00 and the bank balance was \$4,820,143.20. Of the School District's bank Balance of \$4,820,143.20 as of June 30, 2011, \$154,226.77 was uninsured and uncollateralized.

Investments

Pursuant to state statutes, the Board of Education may invest in the following:

- Direct obligations of, or obligations as to which the principal and interest is guaranteed by, the United States of America
- Government money market mutual funds
- Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress
- Bonds or obligations of the local unit or other obligations of school districts within the local unit
- Local government investment pools
- State of New Jersey Cash Management Fund
- Agreements for the repurchase of fully collateralized securities

For the year ended June 30, 2011, the Board of Education had no investments.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 3 – RECEIVABLES

Receivables at June 30, 2011, consisted of accounts (rent, tuition, and fees), accrued interest, interfund, intergovernmental, and property taxes. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements		District Wide Financial Statements
State Aid	\$ 364,748.72	\$	364,748.72
Federal Aid	230,016.42		230,065.97
Interfunds Receivable	844.32		-
Other	15,132.22		15,132.22
Gross Receivables	610,741.68		609,946.91
Less: Allowance for Uncollectibles			
Total Receivables, Net	\$ 610,741.68	\$	609,946.91

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2011.

Fund	Interfund Receivable		Interfund Payable
Capital Projects Fund	\$	\$	844.32
Debt Service Fund	844.32		
	\$ 844.32	\$	-

The Debt Service Fund receivable is comprised of one interfund. It is due from the Capital Projects Fund in the amount of \$844.32 which is a result of interest earned on the deposits in the Capital Projects Fund that were not turned over to the Debt Service Fund prior to June 30, 2011.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 5 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 27,012.00	\$	\$	\$ 27,012.00
Construction in Progress	-	515,929.68		515,929.68
Total capital assets not being depreciated	<u>27,012.00</u>	<u>515,929.68</u>	<u>-</u>	<u>542,941.68</u>
Capital assets being depreciated:				
Land Improvements	131,895.00			131,895.00
Buildings and building improvements	11,333,073.00	10,000.00		11,343,073.00
Equipment	559,603.03	55,714.00		615,317.03
Total capital assets being depreciated at historical cost	<u>12,024,571.03</u>	<u>65,714.00</u>	<u>-</u>	<u>12,090,285.03</u>
Less accumulated depreciation for:				
Land Improvements	(69,129.76)	(6,594.75)		(75,724.51)
Buildings and improvements	(3,651,227.32)	(259,329.97)		(3,910,557.29)
Equipment	(435,269.03)	(25,015.83)		(460,284.86)
Total capital assets being depreciated, net of accumulated depreciation	<u>7,868,944.92</u>	<u>(225,226.55)</u>	<u>-</u>	<u>7,643,718.37</u>
Governmental activity capital assets, net	<u>\$ 7,895,956.92</u>	<u>\$ 290,703.13</u>	<u>\$ -</u>	<u>\$ 8,186,660.05</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 4,668.00	\$	\$	\$ 4,668.00
Less accumulated depreciation	(4,668.00)			(4,668.00)
Enterprise Fund capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense is charged to governmental functions as follows:

Regular Instruction	\$ 131,270.78
Special Education	67,215.48
Other Special Instruction	6,898.12
Student & Instruction Related Service	49,822.06
General Administrative Services	9,046.85
School Administrative Services	13,227.98
Central Services	6,800.38
Pupil Transportation	6,658.90
	<u>\$ 290,940.55</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 6 – LONG-TERM OBLIGATIONS

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

	Balance July 1, 2010	Issues or Additions	Payments or Expenditures	Balance June 30, 2011	Amounts Due Within One Year
Compensated Absences	\$ 381,779.83	\$ 24,468.53	\$	\$ 406,248.36	\$
Bonds Payable	<u>2,065,000.00</u>	<u>3,443,000.00</u>	<u>962,000.00</u>	<u>4,546,000.00</u>	<u>295,000.00</u>
	<u>\$ 2,446,779.83</u>	<u>\$ 3,467,468.53</u>	<u>\$ 962,000.00</u>	<u>\$ 4,952,248.36</u>	<u>\$ 295,000.00</u>

Compensated absences have been liquidated in the General Fund.

Bonds Payable

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

At June 30, 2011, bonds payable consisted of the following issues:

\$1,523,000 School Bonds dated April 4, 2006, due in annual installments beginning February 1, 2005 through February 1, 2019, bearing interest at 4.00% per annum until 2013, then 4.10% thereafter. The balance remaining as of June 30, 2011 is \$1,103,000.00.

\$3,443,000 School Bonds dated February 15, 2011, due in annual installments beginning February 15, 2012 through February 15, 2026, bearing interest at variable rates from 2.00% to 4.00% per annum. The balance remaining as of June 30, 2011 is \$3,443,000.00.

Debt service requirements on serial bonds payable at June 30, 2011 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ 295,000.00	\$ 174,055.50	\$ 469,055.50
2013	305,000.00	162,643.00	467,643.00
2014	320,000.00	150,855.50	470,855.50
2015	330,000.00	138,365.50	468,365.50
2016	340,000.00	125,500.50	465,500.50
2017-2021	1,553,000.00	428,536.50	1,981,536.50
2022-2026	<u>1,403,000.00</u>	<u>159,375.00</u>	<u>1,562,375.00</u>
	<u>\$ 4,546,000.00</u>	<u>\$ 1,339,331.50</u>	<u>\$ 5,885,331.50</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 7 – DEFERRED BOND ISSUANCE COSTS

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (15 years). The cost associated with the 2005 bonds amounted to \$32,612.84. Amortization expense in fiscal year June 30, 2011 is \$2,174.19. The balance deferred at June 30, 2011 in the District-Wide Financial Statements is \$19,567.70.

NOTE 8 – PENSION PLANS

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

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

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 8 – PENSION PLANS - Continued

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. 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. 2008 and Chapter 103, P.L. 2008, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District's contribution for employees enrolled in the DCRP for year ending June 30, 2011 was \$3,807.48 and \$0.00 for June 30, 2010 and 2009.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) that changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 8 – PENSION PLANS - Continued

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF. The School District's contributions to TPAF for the years ending June 30, 2011, 2010 and 2009 were \$0, \$0, and \$0 respectively; normally paid by the State of New Jersey on behalf of the board. The State of New Jersey did not make the required contributions for the last three years. The School District's contributions to PERS for the years ending June 30, 2011, 2010, 2009 were \$181,304.00, \$134,710.00, and \$124,222.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2011, 2010 and 2009, the State of New Jersey contributed \$483,546.00, \$454,222.00, and \$433,364.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$543,868.92, \$544,580.80, and \$522,426.00 during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

NOTE 9 – POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, 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 Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 10 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, no liability existed for compensated absences in the Community Education Recreation Program.

NOTE 11 – DEFERRED COMPENSATION

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, 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:

Merrill-Lynch
Lincoln Investments
Equitable Insurance
Syracusa Insurance
Valic

NOTE 12 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Somers Point Board of Education by the inclusion of \$100.00 on September 21, 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.

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	\$ 129,100.00
Interest earnings	5,000.00
Ending Balance, June 30, 2011	<u>\$ 134,100.00</u>

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve account at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 13 – RISK MANAGEMENT

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

Property and Liability Insurance - The District maintains insurance coverage for property, liability and surety bonds through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF). A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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

<u>Fiscal Year</u>	<u>Interest on Investments</u>	<u>Employee Contributions</u>	<u>Board Contribution</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$ 651.61	\$ 16,027.03	-	\$ 22,647.60	158,191.30
2009-2010	1,226.34	16,905.72	-	19,104.21	164,160.26
2008-2009	984.81	15,723.05	600.00	25,841.40	165,132.41

NOTE 14 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 15 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 17 – COMMITMENTS

The District has not adopted an encumbrance policy for the fiscal year end to consider significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Significant encumbrances at June 30th are as follows;

Fund	Amount
Capital Projects Fund - Contracts Payable	\$ 4,241,083.25
	\$ 4,241,083.25

NOTE 18 – FUND BALANCES

Restrictions of funds balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District does not have a formal fund balance spending policy therefore the default spending order requires committed, assigned and then unassigned to be used first when expenditures are made.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Regular Public School Districts (N.J.S.A. 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or \$250,000.00, whichever is greater may be maintained.

The District's major sources of special revenue funds is federal grant funding for the No Child Left Behind (NCLB) program and federal grants for special education and an American Recovery and Reinvestment Act Technology grant.

Specific classifications of fund balance are summarized below;

Non-Spendable Fund Balance – The District had no non-spendable fund balance at June 30, 2011.

Restricted Fund Balance

Capital Reserve Account – At June 30, 2011, the \$134,100.00 balance in the Capital Reserve account is restricted for future capital outlay expenditures for projects in the School District's long range facilities plan (LRFP).

Maintenance Reserve Account – Of the \$190,000.00 balance in the maintenance reserve account at June 30, 2011, \$0 has been designated for utilization in the 2011-12 budget. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 18 – FUND BALANCES - Continued

Restricted Fund Balance - Continued

Reserve for Excess Surplus – There was excess fund balance in the amount of \$444,760.69 at June 30, 2011. This amount will be appropriated as revenue in support of the 2012-2013 School Budget. \$246,222.00 was appropriated in the 2011-2012 school budget and was restricted as of June 30, 2011.

Capital Projects Fund – At June 30, 2011 the District had a deficit fund balance of (\$1,106,277.31). This deficit is a result of reflecting the State of New Jersey's share (40%) of construction contracts payable for the various capital projects as committed fund balance.

Debt Service – At June 30, 2011 the District had \$844.32 in the Debt Service fund for future debt service payments.

Committed Fund Balance - The District's Committed Fund balance for other purposes of \$4,241,083.25 in the Capital Projects Fund consists of construction contracts payable authorized by the Board of Education during 2010-11 for various capital projects.

Assigned Fund Balance – At June 30, 2011, the Board of Education has assigned \$250,000.00 of General Fund balance to expenditures in the 2011-12 budget. In addition, the District assigned fund balance in the General Fund for other purposes of \$38,171.34. This represents encumbrances resulting from issuing purchase orders as a result of normal purchasing activities approved by District Officials.

Unassigned Fund Balance – At June 30, 2011, the District has (\$185,754.10) of unassigned fund balance/ (Deficit) in the General Fund and (\$28,171.80) in the Special Revenue Fund.

NOTE 19 – CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7 as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount of budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2010 is \$444,209.18. The excess fund balance at June 30, 2009 was \$444,760.69.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 20 – DEFICIT FUND BALANCES

The District has a deficit unassigned fund balance of (\$185,754.10) in the General Fund and (\$28,171.80) in the Special Revenue Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). *N.J.S.A. 18A:22-44.2* provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the General Fund and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the Special revenue fund in the GAAP fund statements of (\$28,171.80) is equal to the last state aid payment for that fund.

Pursuant to *N.J.S.A. 18A:22-44.2* any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of (\$185,754.10) is less than the last state aid payment.

NOTE 16 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2011 through October 21, 2011, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to attention of the District that would require disclosure.

Required Supplementary Information – Part II

Budgetary Comparison Schedules

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 7,816,157.00	\$ -	\$ 7,816,157.00	\$ 7,816,157.00	\$ -
Tuition			-	37,226.41	37,226.41
Interest Earned on Capital Reserve Funds	5,000.00		5,000.00	9,792.53	4,792.53
Unrestricted Miscellaneous Revenues	21,981.00		21,981.00	32,371.60	10,390.60
Total Local Sources	7,843,138.00	-	7,843,138.00	7,895,547.54	52,409.54
State Sources:					
Categorical Special Education Aid	521,597.00		521,597.00	521,597.00	-
Equalization aid	4,479,633.00		4,479,633.00	4,479,633.00	-
Extraordinary Aid			-	19,331.00	19,331.00
Other State Aid			-	1,392.00	1,392.00
On-behalf TPAF Postretirement Contributions (non-budgeted)			-	483,546.00	483,546.00
Reimbursed TPAF Social Security Contributions (non-budgeted)	-		-	543,868.92	543,868.92
Total State Sources	5,001,230.00	-	5,001,230.00	6,049,367.92	1,048,137.92
Federal Sources:					
Medicaid Reimbursement	25,026.00		25,026.00	58,118.67	33,092.67
Total Revenues	12,869,394.00	-	12,869,394.00	14,003,034.13	1,133,640.13
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Preschool - Salaries of Teachers	112,540.00	(10,200.00)	102,340.00	100,200.80	2,139.20
Kindergarten - Salaries of Teachers	303,449.00	10,200.00	313,649.00	309,853.15	3,795.85
Grades 1 - 5 Salaries of Teachers	2,402,771.00	(114,670.00)	2,288,101.00	2,276,243.04	11,857.96
Grades 6 - 8 Salaries of Teachers	1,620,549.00	(17,192.00)	1,603,357.00	1,597,435.10	5,921.90
Regular Programs - Home Instruction					
Salaries of Teachers	5,500.00	17,000.00	22,500.00	21,970.90	529.10
Purchased Professional - Educational Services	7,560.00	7,796.00	15,356.00	15,163.48	192.52
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	146,770.00	5,000.00	151,770.00	149,229.39	2,540.61
Purchased Professional Services	200.00		200.00		200.00
Other Purchased Services (400-500 series)	78,938.00	(4,500.00)	74,438.00	68,397.37	6,040.63
General Supplies	225,020.00	(7,851.00)	217,169.00	192,781.26	24,387.74
Textbooks	85,000.00	(3,500.00)	81,500.00	74,772.52	6,727.48
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,988,297.00	(117,917.00)	4,870,380.00	4,806,047.01	64,332.99
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	68,743.00	3,749.00	72,492.00	72,491.96	0.04
General Supplies	1,000.00		1,000.00	1,000.00	-
Total Learning and/or Language Disabilities	69,743.00	3,749.00	73,492.00	73,491.96	0.04
Behavioral Disabilities					
Salaries of Teachers	77,534.00		77,534.00	75,611.83	1,922.17
	500.00		500.00		500.00
Total Behavioral Disabilities	78,034.00	-	78,034.00	75,611.83	2,422.17
Multiple Disabilities					
Salaries of Teachers	111,925.00	2,795.00	114,720.00	114,576.71	143.29
Other Salaries for Instruction	26,501.00	1,546.00	28,047.00	28,005.64	41.36
General Supplies	2,000.00		2,000.00	1,336.14	663.86
Total Multiple Disabilities	140,426.00	4,341.00	144,767.00	143,918.49	848.51

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Resource Room/Resource Center					
Salaries of Teachers	\$ 666,449.00	\$ (14,800.00)	\$ 651,649.00	\$ 643,874.47	\$ 7,774.53
Other Salaries for Instruction	56,067.00		56,067.00	51,758.76	4,308.24
General Supplies	3,500.00		3,500.00	1,017.58	2,482.42
Total Resource Room/Resource Center	<u>726,016.00</u>	<u>(14,800.00)</u>	<u>711,216.00</u>	<u>696,650.81</u>	<u>14,565.19</u>
Preschool Disabilities - Part-Time					
General Supplies	1,000.00	-	1,000.00	595.58	404.42
Total Preschool Disabilities - Part-Time	<u>1,000.00</u>	<u>-</u>	<u>1,000.00</u>	<u>595.58</u>	<u>404.42</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,015,219.00</u>	<u>(6,710.00)</u>	<u>1,008,509.00</u>	<u>990,268.67</u>	<u>18,240.33</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	64,518.00	(44,000.00)	20,518.00	2,925.00	17,593.00
General Supplies	3,500.00	136.66	3,636.66	1,446.07	2,190.59
Total Basic Skills/Remedial - Instruction	<u>68,018.00</u>	<u>(43,863.34)</u>	<u>24,154.66</u>	<u>4,371.07</u>	<u>19,783.59</u>
Bilingual Education - Instruction					
Salaries of Teachers	55,290.00	1,710.00	57,000.00	56,999.80	0.20
Total Bilingual Education - Instruction	<u>55,290.00</u>	<u>1,710.00</u>	<u>57,000.00</u>	<u>56,999.80</u>	<u>0.20</u>
School-Spon. Co/Extra-curr. Activities - Instruction					
Salaries	50,550.00		50,550.00	47,064.00	3,486.00
Purchased Services (300-500 series)	5,000.00	(1,791.00)	3,209.00	1,439.50	1,769.50
Supplies & Materials	2,000.00	184.71	2,184.71	189.68	1,995.03
Total School-Spon. Cocurricular Activities - Inst.	<u>57,550.00</u>	<u>(1,606.29)</u>	<u>55,943.71</u>	<u>48,693.18</u>	<u>7,250.53</u>
School-Sponsored Athletics - Instruction					
Salaries	31,950.00	10,000.00	41,950.00	41,185.00	765.00
Purchased Services (300-500 series)	1,500.00		1,500.00	1,075.00	425.00
Supplies & Materials	5,000.00	1,791.00	6,791.00	5,960.95	830.05
Other Objects	10,000.00		10,000.00	5,733.00	4,267.00
Total School-Spon. Cocurricular Athletics - Inst.	<u>48,450.00</u>	<u>11,791.00</u>	<u>60,241.00</u>	<u>53,953.95</u>	<u>6,287.05</u>
Community Services Programs/Operations					
Salaries	42,085.00	46,580.00	88,665.00	88,533.98	131.02
Total Community Services Programs/Operations	<u>42,085.00</u>	<u>46,580.00</u>	<u>88,665.00</u>	<u>88,533.98</u>	<u>131.02</u>
TOTAL INSTRUCTION	<u>6,274,909.00</u>	<u>(110,015.63)</u>	<u>6,164,893.37</u>	<u>6,048,867.66</u>	<u>116,025.71</u>
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs		2,930.00	2,930.00	2,889.02	40.98
Tuition to CSSD & Regional Day Schools	52,179.00	4,810.00	56,989.00	56,989.00	-
Tuition to Private Schools for the Disabled - Within State	52,380.00	73,846.00	126,226.00	118,767.30	7,458.70
Total Undistributed Expenditures - Instruction	<u>104,559.00</u>	<u>81,586.00</u>	<u>186,145.00</u>	<u>178,645.32</u>	<u>7,499.68</u>
Undistributed Expend. - Attend. & Social Work					
Salaries	29,528.00	1,030.00	30,558.00	30,525.27	32.73
Total Undist. Expend. - Attend. & Social Worker	<u>29,528.00</u>	<u>1,030.00</u>	<u>30,558.00</u>	<u>30,525.27</u>	<u>32.73</u>
Undistributed Expend. - Health Services					
Salaries	156,586.00	(3,760.00)	152,826.00	151,798.12	1,027.88
Purchased Professional and Technical Services	1,900.00		1,900.00	745.70	1,154.30
Supplies & Materials	4,000.00		4,000.00	3,847.68	152.32
Total Undistributed Expend. - Health Services	<u>162,486.00</u>	<u>(3,760.00)</u>	<u>158,726.00</u>	<u>156,391.50</u>	<u>2,334.50</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Other Support Serv. Students - Related Services					
Salaries	\$ 112,578.00	\$ 34,780.00	\$ 147,358.00	\$ 146,036.97	\$ 1,321.03
Purchased Professional - Educational Services	59,962.00	(3,838.00)	56,124.00	52,891.11	3,232.89
Supplies & Materials	2,000.00		2,000.00	1,652.54	347.46
Total Undist. Expend. - Other Support Services Student - Related Services	174,540.00	30,942.00	205,482.00	200,580.62	4,901.38
Undist. Expend. - Other Support Serv. Students - Extraordinary Services					
Salaries	9,800.00		9,800.00	9,799.86	0.14
Purchased Professional - Educational Services	63,860.00	10,980.00	74,840.00	45,370.13	29,469.87
Total Undist. Expend. - Other Support Services Students - Extraordinary Services	73,660.00	10,980.00	84,640.00	55,169.99	29,470.01
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	181,820.00	3,838.00	185,658.00	185,657.67	0.33
Other Purchased Services (400-500 series)	13,425.00		13,425.00	13,425.00	-
Supplies & Materials	1,500.00		1,500.00	935.89	564.11
Total Undist. Expend. - Other Support Services Students - Regular	196,745.00	3,838.00	200,583.00	200,018.56	564.44
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	311,230.00	(35,000.00)	276,230.00	273,671.24	2,558.76
Salaries of Secretarial and Clerical Assistants	43,748.00		43,748.00	43,646.94	101.06
Purchased Professional - Educational Services	10,000.00		10,000.00	6,252.25	3,747.75
Other Purchased Professional & Tech. Services	6,341.00		6,341.00	6,340.20	0.80
Misc Purch Serv (400-500 series O/t Resid Costs)	2,700.00		2,700.00	640.55	2,059.45
Supplies & Materials	4,000.00		4,000.00	1,764.94	2,235.06
Other Objects	800.00		800.00	800.00	-
Total Undist. Expend. - Child Study Teams	378,819.00	(35,000.00)	343,819.00	333,116.12	10,702.88
Undist. Expend. - Improvement of Inst. Services					
Salaries Supervisor Of Instruction	89,025.00		89,025.00	86,431.80	2,593.20
Salaries of Other Professional Staff	17,000.00		17,000.00	13,897.00	3,103.00
Salaries of Secretaries and Clerical Assistants	33,740.00		33,740.00	28,318.24	5,421.76
Other Salaries	50,802.00		50,802.00	46,627.80	4,174.20
Other Purchased Services (400-500 series)	600.00	(600.00)	-	-	-
Travel		600.00	600.00	468.72	131.28
Supplies & Materials	5,000.00	1,047.86	6,047.86	2,582.64	3,465.22
Other Objects	800.00		800.00	800.00	-
Total Undist. Expend. - Improvement of Inst. Serv.	196,967.00	1,047.86	198,014.86	179,126.20	18,888.66
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	162,576.00	730.00	163,306.00	159,988.74	3,317.26
Purchased Professional and Technical Services	5,023.00		5,023.00	5,022.50	0.50
Other Purchased Services (400-500 series)	45,900.00	(17,180.00)	28,720.00	23,694.64	5,025.36
Supplies & Materials	32,000.00	1,961.00	33,961.00	27,552.19	6,408.81
Other Objects	200.00		200.00	200.00	-
Total Undistributed Expenditures - Educational Media Services - School Library	245,699.00	(14,489.00)	231,210.00	216,258.07	14,951.93
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff	10,000.00		10,000.00	3,490.00	6,510.00
Purchased Professional - Educational Services	3,000.00		3,000.00	792.62	2,207.38
Other Purchased Services (400-500 series)	5,100.00	70.00	5,170.00	4,277.46	892.54
Supplies & Materials	4,420.00		4,420.00	676.48	3,743.52
Total Undistributed Expenditures - Instructional Staff Training Services	22,520.00	70.00	22,590.00	9,236.56	13,353.44

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	\$ 186,326.00	\$ 18,333.00	\$ 204,659.00	\$ 203,242.60	\$ 1,416.40
Legal Services	36,100.00	(14,282.00)	21,818.00	7,710.00	14,108.00
Audit Fees	20,500.00		20,500.00	19,700.00	800.00
Purchased Technical Services	7,400.00		7,400.00	7,190.00	210.00
Communications/Telephone	45,560.00	4,009.34	49,569.34	48,304.28	1,265.06
BOE Other Purchased Services	2,800.00	(1,200.00)	1,600.00	591.10	1,008.90
Misc. Purchased Services (400-500 series)(Other than 530&585)	13,311.00	23,520.00	36,831.00	28,375.24	8,455.76
General Supplies	3,500.00	1,200.00	4,700.00	4,694.00	6.00
BOE In-House Training/Meeting Supplies	1,500.00	1,000.00	2,500.00	2,412.60	87.40
Miscellaneous Expenditures	2,000.00		2,000.00	1,789.00	211.00
BOE Membership Dues and Fees	9,700.00	(1,000.00)	8,700.00	7,211.85	1,488.15
Total Undistributed Expenditures - Support Services - General Administration	328,697.00	31,580.34	360,277.34	331,220.67	29,056.67
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	326,479.00	(17,860.00)	308,619.00	293,041.68	15,577.32
Salaries of Secretarial and Clerical Assistants	157,517.00	3,210.00	160,727.00	159,427.15	1,299.85
Purchased Professional and Technical Services	1,000.00		1,000.00	1,000.00	-
Other Purchased Services (400-500 series)	10,160.00	21,500.00	31,660.00	10,718.21	20,941.79
Supplies & Materials	20,100.00	348.29	20,448.29	17,712.04	2,736.25
Other Objects	2,400.00		2,400.00	2,400.00	-
Total Undistributed Expenditures - Support Services - School Administration	517,656.00	7,198.29	524,854.29	484,299.08	40,555.21
Undist. Expend - Central Services					
Salaries	213,000.00	(225.00)	212,775.00	208,579.34	4,195.66
Purchased Technical Services	11,410.00	15,500.00	26,910.00	11,786.00	15,124.00
Misc. Purchased Services (400-500 series)(O/T 594)	5,212.00	(775.00)	4,437.00	3,941.77	495.23
Supplies and Materials	7,000.00	10,496.57	17,496.57	8,453.24	9,043.33
Miscellaneous Expenditures	4,075.00	1,000.00	5,075.00	5,000.00	75.00
Total Undistributed Expenditures - Central Services	240,697.00	25,996.57	266,693.57	237,760.35	28,933.22
Undis. Expend - Admin. Info Technology					
Supplies and Materials	10,000.00	1,375.00	11,375.00	11,213.00	162.00
Total Undistributed Expenditures - Administration Information Technology	10,000.00	1,375.00	11,375.00	11,213.00	162.00
Undist. Expend. - Required Maint. School Fac.					
Salaries	56,706.00		56,706.00	56,638.76	67.24
Cleaning, Repair and Maintenance Service	84,150.00	(4,750.00)	79,400.00	65,741.80	13,658.20
General Supplies	30,000.00		30,000.00	18,344.47	11,655.53
Other Objects	1,200.00		1,200.00	748.00	452.00
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	172,056.00	(4,750.00)	167,306.00	141,473.03	25,832.97
Undistributed Expenditures - Custodial Services					
Salaries	478,288.00		478,288.00	470,161.29	8,126.71
Purchased Professional and Technical Services	500.00	200.00	700.00	671.82	28.18
Cleaning, Repair and Maintenance Service	10,000.00	(3,200.00)	6,800.00	1,135.26	5,664.74
Rental of Land & Bldg. Oth. then Lease Pur Agrmt	1,750.00		1,750.00	1,750.00	-
Other Purchased Property Services	20,000.00	1,217.94	21,217.94	18,485.53	2,732.41
Insurance	88,910.00	(1,611.00)	87,299.00	82,684.00	4,615.00
Miscellaneous Purchased Services	1,900.00	4,611.00	6,511.00	5,747.85	763.15
General Supplies	38,000.00		38,000.00	36,289.52	1,710.48
Energy (Heat and Electricity)	250,500.00	12,496.00	262,996.00	262,994.39	1.61
Energy (Natural Gas)	86,000.00	(12,496.00)	73,504.00	56,337.11	17,166.89
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	975,848.00	1,217.94	977,065.94	936,256.77	40,809.17
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	23,700.00	870.00	24,570.00	17,890.00	6,680.00
Total Care and Upkeep of Grounds	23,700.00	870.00	24,570.00	17,890.00	6,680.00
Total Undistributed Expenditures Operations and Maintenance of Plant	1,171,604.00	(2,662.06)	1,168,941.94	1,095,619.80	73,322.14

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Student Transportation Serv.					
Sal.- Pup. Trans. (Bet. Home & School) - Reg.	\$ 16,200.00	\$ 3,000.00	\$ 19,200.00	\$ 19,095.00	\$ 105.00
Contracted Services - (Other than Bet.Home & Sch)-Vend	29,355.00		29,355.00	24,465.76	4,889.24
Contr. Serv. - (Bet. Home & School) Joint Agrm.	125,877.00		125,877.00	107,564.15	18,312.85
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	116,037.00	(3,000.00)	113,037.00	80,890.90	32,146.10
Contr. Serv. - Aid in Lieu Pymts-NonPub Sch	7,072.00	9,282.00	16,354.00	11,778.00	4,576.00
Total Undistributed Expenditures - Student Transportation Services	<u>294,541.00</u>	<u>9,282.00</u>	<u>303,823.00</u>	<u>243,793.81</u>	<u>60,029.19</u>
Undist. Expend. - Unallocated Benefits					
Social Security Contributions	193,932.00	(21,000.00)	172,932.00	156,666.19	16,265.81
Other Retirement Contributions - Regular	137,000.00	44,604.00	181,604.00	181,304.00	300.00
Workmen's Compensation	89,913.00		89,913.00	89,913.00	-
Health Benefits	2,237,009.00	(57,474.00)	2,179,535.00	2,155,381.61	24,153.39
Tuition Reimbursement	71,250.00	1,755.00	73,005.00	44,514.00	28,491.00
Other Employee Benefits	52,748.00	22,360.00	75,108.00	73,233.41	1,874.59
Total Unallocated Benefits	<u>2,781,852.00</u>	<u>(9,755.00)</u>	<u>2,772,097.00</u>	<u>2,701,012.21</u>	<u>71,084.79</u>
On-behalf TPAF Postretirement Contributions (non-budgeted)			-	483,546.00	(483,546.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	543,868.92	(543,868.92)
Total Personal Services - Unallocated Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,027,414.92</u>	<u>(1,027,414.92)</u>
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	<u>2,781,852.00</u>	<u>(9,755.00)</u>	<u>2,772,097.00</u>	<u>3,728,427.13</u>	<u>(956,330.13)</u>
Undist. Expend. - Food Service Program					
Salaries	30,000.00	-	30,000.00	27,884.30	2,115.70
Total Community Services Programs/Operations	<u>30,000.00</u>	<u>-</u>	<u>30,000.00</u>	<u>27,884.30</u>	<u>2,115.70</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>6,960,570.00</u>	<u>139,260.00</u>	<u>7,099,830.00</u>	<u>7,719,286.35</u>	<u>(619,456.35)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>13,235,479.00</u>	<u>29,244.37</u>	<u>13,264,723.37</u>	<u>13,768,154.01</u>	<u>(503,430.64)</u>
CAPITAL OUTLAY					
Equipment:					
Admin. Info. Tech. Equipment	15,096.00	8,340.00	23,436.00	15,096.00	8,340.00
Undist. Expend. - Custodial Services	10,000.00	6,430.00	16,430.00	16,430.00	-
Total Equipment	<u>25,096.00</u>	<u>14,770.00</u>	<u>39,866.00</u>	<u>31,526.00</u>	<u>8,340.00</u>
Facilities Acquisition and Construction Services					
Other Objects	10,212.00	-	10,212.00	10,212.00	-
Total Facilities Acquisition and Construction Services	<u>10,212.00</u>	<u>-</u>	<u>10,212.00</u>	<u>10,212.00</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>35,308.00</u>	<u>14,770.00</u>	<u>50,078.00</u>	<u>41,738.00</u>	<u>8,340.00</u>
Transfer of Funds to Charter Schools	137,816.00	(22,350.00)	115,466.00	31,523.00	83,943.00
TOTAL EXPENDITURES	<u>13,408,603.00</u>	<u>21,664.37</u>	<u>13,430,267.37</u>	<u>13,841,415.01</u>	<u>(411,147.64)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(539,209.00)</u>	<u>(21,664.37)</u>	<u>(560,873.37)</u>	<u>161,619.12</u>	<u>722,492.49</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Other Financing Sources:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(539,209.00)	(21,664.37)	(560,873.37)	161,619.12	722,492.49
Fund Balance July 1	<u>1,418,638.01</u>		<u>1,418,638.01</u>	<u>1,418,638.01</u>	
Fund Balance June 30	<u>\$ 879,429.01</u>	<u>\$ (21,664.37)</u>	<u>\$ 857,764.64</u>	<u>\$ 1,580,257.13</u>	<u>\$ 722,492.49</u>
Recapitulation:					
Nonspendable Fund Balance:					
None				\$ -	
Restricted Fund Balance:					
Capital Reserve				134,100.00	
Maintenance Reserve				190,000.00	
Excess Surplus - Designated for Subsequent Year's Expenditures				246,222.00	
Excess Surplus - Current Year				444,760.79	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				250,000.00	
Year-End Encumbrances				38,171.34	
Unassigned Fund Balance				<u>277,003.00</u>	
				1,580,257.13	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP basis				(462,757.20)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,117,499.93</u>	

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 527,926.00	\$ (44,910.00)	\$ 483,016.00	\$ 483,016.00	\$ -
Federal Sources	604,453.00	871,223.51	1,475,676.51	1,437,338.57	(38,337.94)
Total Revenues	1,132,379.00	826,313.51	1,958,692.51	1,920,354.57	(38,337.94)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	677,681.00	198,716.75	876,397.75	876,397.75	-
Other Salaries for Instruction	95,132.00	15,833.24	110,965.24	110,965.24	-
Purchased Professional - Educational Services	30,840.00	33,387.25	64,227.25	60,055.70	4,171.55
Tuition	220,883.00	22.00	220,905.00	220,905.00	-
General Supplies	784.00	206,491.62	207,275.62	189,876.02	17,399.60
Textbooks	26,007.00	253.00	26,260.00	26,260.00	-
Total Instruction	1,051,327.00	454,703.86	1,506,030.86	1,484,459.71	21,571.15
Support Services:					
Salaries of Teachers	6,500.00	165,065.24	171,565.24	171,565.24	-
Salaries of Other Professional Staff	7,723.00	31,625.00	39,348.00	39,348.00	-
Personal Services - Employee Benefits	53,784.00	113,541.16	167,325.16	167,325.16	-
Purchased Professional and Technical Services		26,495.76	26,495.76	24,045.76	2,450.00
Travel	13,045.00	325.22	13,370.22	7,270.22	6,100.00
Other Purchased Services (400-500 series)		3,983.00	3,983.00	2,429.28	1,553.72
General Supplies		19,177.12	19,177.12	13,378.05	5,799.07
Other Objects		5,065.20	5,065.20	5,065.20	-
		4,032.00	4,032.00	3,168.00	864.00
Total Support Services	81,052.00	369,309.70	450,361.70	433,594.91	16,766.79

Notes to the Required Supplementary Information

CITY OF SOMERS POINT SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Notes to the Required Supplementary Information
For the Year Ended June 30, 2011

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 14,003,034.13	[C-2]	\$ 1,920,354.57
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				28,085.52
Prior year final State Aid payments were delayed until July 2010 and is recorded as revenue in current year under GAAP.		539,391.10		26,644.90
Final State Aid payments were delayed until July 2011 is recorded as budgetary revenue but are not recognized under GAAP.		(462,757.20)		(28,171.80)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 14,079,668.03	[B-2]	\$ 1,946,913.19
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 13,841,415.01	[C-2]	\$ 1,920,354.57
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.				28,085.52
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 13,841,415.01	[B-2]	\$ 1,948,440.09

Other Supplementary Information

**SPECIAL REVENUE FUND DETAIL
STATEMENTS**

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1a)	IDEA Part B	IDEA Preschool	Title I	Title I Carryover	Title I S/A Carryover	Totals 2011
REVENUES:							
State Sources	\$ 483,016.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 483,016.00
Federal Sources	665,397.07	322,119.00	10,900.00	415,398.46	17,663.86	5,860.18	1,437,338.57
Total Revenues	1,148,413.07	322,119.00	10,900.00	415,398.46	17,663.86	5,860.18	1,920,354.57
EXPENDITURES:							
Instruction:							
Salaries of Teachers	629,078.05			247,319.70			876,397.75
Other Salaries for Instruction	40,507.69	69,437.80		1,596.00	(576.25)		110,965.24
Purchased Professional - Educational Services	31,116.00			32,199.00	(3,259.30)		60,055.70
Tuition	-	220,905.00					220,905.00
General Supplies	165,718.93		100.00	4,476.47	13,720.44	5,860.18	189,876.02
Textbooks	26,260.00						26,260.00
Total Instruction	892,680.67	290,342.80	100.00	285,591.17	9,884.89	5,860.18	1,484,459.71
Support Services:							
Salaries of Teachers	98,594.25	23,445.00		49,525.99			171,565.24
Salaries of Other Professional Staff	2,652.00		10,296.00	26,400.00			39,348.00
Personal Services - Employee Benefits	117,174.10	8,125.13		41,565.99	(44.06)		167,325.16
Purchased Professional and Technical Services	18,915.98				5,129.78		24,045.76
Purchased Professional - Educational Services	1,870.22			5,400.00			7,270.22
Travel	2,429.28						2,429.28
Other Purchased Services (400-500 series)	3,769.49			6,915.31	2,693.25		13,378.05
General Supplies	4,859.13	206.07					5,065.20
Other Objects	3,168.00						3,168.00
Total Support Services	253,432.45	31,776.20	10,800.00	129,807.29	7,778.97	-	433,594.91
Facilities Acquisition and Constr. Services:							
Instructional Equipment	2,299.95						2,299.95
Total Facilities Acquisition and Constr. Services	2,299.95	-	-	-	-	-	2,299.95
Contribution to Charter Schools	-	-	-	-	-	-	-
Total Outflows	1,148,413.07	322,119.00	10,900.00	415,398.46	17,663.86	5,860.18	1,920,354.57
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1b)	Title IV	ARRA IDEA	Preschool Education Aid	ARRA Talent 21 Grant	ARRA IDEA Preschool	Total Carried Forward
REVENUES:							
State Sources	\$ 201,298.00	\$ -	\$ -	\$ 281,718.00	\$ -	\$ -	\$ 483,016.00
Federal Sources	204,446.04	92.00	152,546.00		308,263.08	49.95	665,397.07
Total Revenues	405,744.04	92.00	152,546.00	281,718.00	308,263.08	49.95	1,148,413.07
EXPENDITURES:							
Instruction:							
Salaries of Teachers	269,394.02		116,054.18	220,142.48	23,487.37	-	629,078.05
Other Salaries for Instruction	-			40,507.69			40,507.69
Purchased Professional - Educational Services	31,116.00						31,116.00
Tuition							
General Supplies	10,036.42	92.00	3,735.04		151,805.52	49.95	165,718.93
Textbooks	26,260.00						26,260.00
Total Instruction	336,806.44	92.00	119,789.22	260,650.17	175,292.89	49.95	892,680.67
Support Services:							
Salaries of Teachers	9,838.64				88,755.61		98,594.25
Salaries of Other Professional Staff	2,652.00						2,652.00
Personal Services - Employee Benefits	42,856.33		32,127.57	21,067.83	21,122.37		117,174.10
Purchased Professional and Technical Services	4,983.98				13,932.00		18,915.98
Purchased Professional - Educational Services	1,870.22						1,870.22
Travel					2,429.28		2,429.28
Other Purchased Services (400-500 series)	2,506.51				1,262.98		3,769.49
General Supplies	4,229.92		629.21				4,859.13
Other Objects					3,168.00		3,168.00
Total Support Services	68,937.60	-	32,756.78	21,067.83	130,670.24	-	253,432.45
Facilities Acquisition and Constr. Services:							
Instructional Equipment					2,299.95		2,299.95
Total Facilities Acquisition and Constr. Services	-	-	-	-	2,299.95	-	2,299.95
Contribution to Charter Schools							
Total Outflows	405,744.04	92.00	152,546.00	281,718.00	308,263.08	49.95	1,148,413.07
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1c)	Nonpublic Compensatory Education	Nonpublic Examination & Classification	Nonpublic Supplementary Instruction	Nonpublic Corrective Speech	Title II Part A Carryover	Title II Part A	Total Carried Forward
REVENUES:								
State Sources	\$ 57,376.00	\$ 121,404.00	\$ 2,652.00	\$ 4,986.00	\$ 14,880.00	\$ -	\$ -	\$ 201,298.00
Federal Sources	128,247.80					3,296.53	72,901.71	204,446.04
Total Revenues	185,623.80	121,404.00	2,652.00	4,986.00	14,880.00	3,296.53	72,901.71	405,744.04
EXPENDITURES:								
Instruction:								
Salaries of Teachers	104,135.06	100,528.00		4,986.00	14,880.00		44,864.96	269,394.02
Other Salaries for Instruction	31,116.00							31,116.00
Purchased Professional - Educational Services								
Tuition								
General Supplies	10,036.42							10,036.42
Textbooks	26,260.00							26,260.00
Total Instruction	171,547.48	100,528.00	-	4,986.00	14,880.00	-	44,864.96	336,806.44
Support Services:								
Salaries of Teachers	(2,705.47)							
Salaries of Other Professional Staff			2,652.00				12,544.11	9,838.64
Personal Services - Employee Benefits	13,684.34	20,876.00					8,295.99	2,652.00
Purchased Professional and Technical Services	620.00						3,950.00	42,856.33
Purchased Professional - Educational Services	1,870.22							4,983.98
Travel								1,870.22
Other Purchased Services (400-500 series)	477.23							
General Supplies	130.00							2,506.51
Other Objects							3,246.65	4,229.92
Total Support Services	14,076.32	20,876.00	2,652.00	-	-	3,296.53	28,036.75	68,937.60
Facilities Acquisition and Constr. Services:								
Instructional Equipment								
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-	-
Contribution to Charter Schools								
Total Outflows	185,623.80	121,404.00	2,652.00	4,986.00	14,880.00	3,296.53	72,901.71	405,744.04
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	ARRA Title I	Title II Part D	Title II Part D Carryover	Nonpublic Textbooks	Nonpublic Nurse	IDEA Part B Carryover	IDEA Part B Carryover	Total Carried Forward
REVENUES:								
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,376.00
Federal Sources	125,983.01	1,187.00	130.00	26,260.00	31,116.00	903.96	903.96	128,247.80
Total Revenues	125,983.01	1,187.00	130.00	26,260.00	31,116.00	903.96	903.96	185,623.80
EXPENDITURES:								
Instruction:								
Salaries of Teachers	104,135.06							104,135.06
Other Salaries for Instruction					31,116.00			31,116.00
Purchased Professional - Educational Services								
Tuition								
General Supplies	5,297.20	879.00		26,260.00		43.83	3,816.39	10,036.42
Textbooks								26,260.00
Total Instruction	109,432.26	879.00	-	26,260.00	31,116.00	43.83	3,816.39	171,547.48
Support Services:								
Salaries of Teachers								
Salaries of Other Professional Staff							(2,705.47)	(2,705.47)
Personal Services - Employee Benefits	13,891.30							13,884.34
Purchased Professional and Technical Services	620.00						(206.96)	620.00
Purchased Professional - Educational Services	1,870.22							1,870.22
Travel								
Other Purchased Services (400-500 series)	169.23	308.00	130.00					477.23
General Supplies								130.00
Other Objects								
Total Support Services	16,550.75	308.00	130.00	-	-	-	(2,912.43)	14,076.32
Facilities Acquisition and Constr. Services:								
Instructional Equipment								
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-	-
Contribution to Charter Schools								
Total Outflows	125,983.01	1,187.00	130.00	26,260.00	31,116.00	43.83	903.96	185,623.80
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF SOMERS POINT SCHOOL DISTRICT
 Special Revenue Fund
 Preschool Education Aid
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2011**

<u>District-Wide Total</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 220,142.48	\$ 220,142.48	\$ -
Other Salaries for Instruction	40,507.69	40,507.69	-
Total Instruction	<u>260,650.17</u>	<u>260,650.17</u>	<u>-</u>
Support Services:			
Personal Services - Employee Benefits	21,067.83	21,067.83	-
Total Support Services	<u>21,067.83</u>	<u>21,067.83</u>	<u>-</u>
Total Expenditures	<u>\$ 281,718.00</u>	<u>\$ 281,718.00</u>	<u>\$ -</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2010-11 Preschool Education Aid Allocation	\$ 281,718.00
Add: Budgeted Transfer from the General Fund 2010-11	-
Total Preschool Education Aid Funds Available for 2010-11 Budget	<u>281,718.00</u>
Less: 2010-11 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(281,718.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2011	-
Add: June 30, 2011 Unexpended Preschool Education Aid	-
2010-11 Carryover – Preschool Education Aid/Preschool	\$ -
2010-11 Preschool Education Aid Carryover Budgeted for Preschool Programs 2011-12	<u>\$ -</u>

**CAPITAL PROJECTS FUND DETAIL
STATEMENTS**

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2011

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Balance June 30, 2011
			Prior Years	Current Year	
Jordan Road Elementary School:					
Replacement of Domestic Water Piping and Drinking Fountains	12/14/2010	\$ 225,340.00	\$ -	\$ 29,493.00	\$ 195,847.00
Replacement of Exterior Windows	12/14/2010	643,750.00	-	55,920.79	587,829.21
Roof Replacement	12/14/2010	1,977,200.00	-	182,740.69	1,794,459.31
Replacement of Light Fixtures	12/14/2010	887,500.00	-	80,000.84	807,499.16
Replacement of Steel Piping	12/14/2010	85,000.00	-	38,972.91	46,027.09
Replacement of Stage Accordion Door	12/14/2010	112,500.00	-	6,428.60	106,071.40
New York Avenue School:					
Roof Replacement	12/14/2010	108,750.00	-	14,159.28	94,590.72
Replacement of Coping	12/14/2010	18,750.00	-	1,103.07	17,646.93
Replacement of Concrete Steps	12/14/2010	25,000.00	-	1,450.35	23,549.65
Repair of Steel Lintels	12/14/2010	25,000.00	-	1,450.35	23,549.65
Replacement of Exterior Windows	12/14/2010	277,650.00	-	22,838.45	254,811.55
Jordan Road Elementary School:					
Replacement of PA System	12/14/2010	87,500.00	-	5,059.75	82,440.25
Fire Alarm System Replacement	12/14/2010	437,500.00	-	25,163.72	412,336.28
Replacement of Emergency Generator	12/14/2010	81,250.00	-	4,718.51	76,531.49
Replacement of Electrical System	12/14/2010	287,500.00	-	16,788.83	270,711.17
Replacement of Clock and Speaker System	12/14/2010	37,500.00	-	2,158.93	35,341.07
New York Avenue School:					
Brick Repointing and Waterproofing	12/14/2010	300,000.00	-	17,591.80	282,408.20
Dawes Avenue Elementary School					
Replacement of Telephone System and Software	12/14/2010	62,250.00	-	4,175.55	58,074.45
Jordan Road Elementary School:					
Upgrade of Telephone System and Software	12/14/2010	23,375.00	-	1,881.12	21,493.88
New York Avenue School:					
Upgrade of Telephone System and Software	12/14/2010	4,900.00	-	386.10	4,513.90
Jordan Road Elementary School:					
Door Replacement and Stage Curtain Replacement	12/14/2010	40,000.00	-	3,447.04	36,552.96
		\$ 5,748,215.00	\$ -	\$ 515,929.68	\$ 5,232,285.32

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2011

Revenues and Other Financing Sources:	
Bond Proceeds and Transfers	\$ 3,443,000.00
State Sources - EDA Grant	2,304,365.00
Miscellaneous	1,694.32
Total Revenues	<u>5,749,059.32</u>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	282,644.84
Construction Services	171,391.75
Legal Services	51,151.09
Other Objects	10,742.00
Total Expenditures	<u>515,929.68</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,233,129.64</u>
Other Financing Sources (Uses):	
Transfer Out to the Debt Service Fund	<u>(844.32)</u>
Total Other Financing Sources (Uses)	<u>(844.32)</u>
Excess (Deficiency) of revenues and other financing sources sources over (under) expenditures and other financing sources (uses)	<u>\$ 5,232,285.32</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Domestic Water Piping and Drinking Fountains
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 134,372.00	\$ 134,372.00	\$ 134,372.00
State Sources - EDA Grant	-	90,968.00	90,968.00	90,968.00
Total Revenues	-	225,340.00	225,340.00	225,340.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	18,000.00	18,000.00	26,000.00
Construction Services	-	181,514.00	181,514.00	181,514.00
Other Objects	-	2,502.45	2,502.45	17,826.00
Total Expenditures	-	202,016.45	202,016.45	225,340.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 23,323.55	\$ 23,323.55	\$ -

Additional Project Information:

Project Number	4800-055-10-1001
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 134,372.00
Bonds Issued	134,372.00
Original Authorized Cost	225,340.00
Additional Authorized Cost	-
Revised Authorized Cost	225,340.00

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	90%
Original Target Completion Date	
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Exterior Windows
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 383,873.00	\$ 383,873.00	\$ 383,873.00
State Sources - EDA Grant	-	259,877.00	259,877.00	259,877.00
Total Revenues	-	643,750.00	643,750.00	643,750.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	36,082.60	36,082.60	69,111.50
Construction Services	-	420,800.00	420,800.00	515,000.00
Legal Services	-	6,393.69	6,393.69	6,400.00
Other Objects	-	6,310.54	6,310.54	53,238.50
Total Expenditures	-	469,586.83	469,586.83	643,750.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 174,163.17	\$ 174,163.17	\$ -

Additional Project Information:

Project Number	4800-055-10-1002
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 383,873.00
Bonds Issued	383,873.00
Original Authorized Cost	643,750.00
Additional Authorized Cost	-
Revised Authorized Cost	643,750.00

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	73%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Roof Replacement
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 1,179,018.00	\$ 1,179,018.00	\$ 1,179,018.00
State Sources - EDA Grant	-	798,182.00	798,182.00	798,182.00
Total Revenues	-	1,977,200.00	1,977,200.00	1,977,200.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	115,500.52	115,500.52	220,092.00
Construction Services	-	1,562,000.00	1,562,000.00	1,581,700.00
Legal Services	-	16,875.67	16,875.67	17,000.00
Other Objects	-	16,613.52	16,613.52	158,408.00
Total Expenditures	-	1,710,989.71	1,710,989.71	1,977,200.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 266,210.29	\$ 266,210.29	\$ -

Additional Project Information:

Project Number	4800-055-10-1003
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 1,179,018.00
Bonds Issued	1,179,018.00
Original Authorized Cost	1,977,200.00
Additional Authorized Cost	-
Revised Authorized Cost	1,977,200.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	87%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Light Fixtures
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 529,222.00	\$ 529,222.00	\$ 529,222.00
State Sources - EDA Grant	-	358,278.00	358,278.00	358,278.00
Total Revenues	-	887,500.00	887,500.00	887,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	48,100.62	48,100.62	95,104.00
Construction Services	-	695,968.00	695,968.00	710,000.00
Legal Services	-	8,685.72	8,685.72	9,000.00
Other Objects	-	8,666.07	8,666.07	73,396.00
Total Expenditures	-	761,420.41	761,420.41	887,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 126,079.59	\$ 126,079.59	\$ -

Additional Project Information:

Project Number	4800-055-10-1004
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 529,222.00
Bonds Issued	529,222.00
Original Authorized Cost	887,500.00
Additional Authorized Cost	-
Revised Authorized Cost	887,500.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	86%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Steel Piping
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 50,686.00	\$ 50,686.00	\$ 50,686.00
State Sources - EDA Grant	-	34,314.00	34,314.00	34,314.00
Total Revenues	-	85,000.00	85,000.00	85,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	4,676.54	4,676.54	9,171.00
Construction Services	-	67,585.00	67,585.00	68,000.00
Legal Services	-	795.62	795.62	800.00
Other Objects	-	830.52	830.52	7,029.00
Total Expenditures	-	73,887.68	73,887.68	85,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 11,112.32	\$ 11,112.32	\$ -

Additional Project Information:

Project Number	4800-055-10-1005
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 50,686.00
Bonds Issued	50,686.00
Original Authorized Cost	85,000.00
Additional Authorized Cost	-
Revised Authorized Cost	85,000.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	87%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Stage Accordion Door
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 67,085.00	\$ 67,085.00	\$ 67,085.00
State Sources - EDA Grant	-	45,415.00	45,415.00	45,415.00
Total Revenues	-	112,500.00	112,500.00	112,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	6,152.60	6,152.60	12,196.00
Construction Services	-	32,278.00	32,278.00	90,000.00
Legal Services	-	930.50	930.50	1,000.00
Other Objects	-	1,105.22	1,105.22	9,304.00
Total Expenditures	-	40,466.32	40,466.32	112,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 72,033.68	\$ 72,033.68	\$ -

Additional Project Information:

Project Number	4800-055-10-1006
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 67,085.00
Bonds Issued	67,085.00
Original Authorized Cost	112,500.00
Additional Authorized Cost	-
Revised Authorized Cost	112,500.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	36%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Roof Replacement
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 64,848.00	\$ 64,848.00	\$ 64,848.00
State Sources - EDA Grant	-	43,902.00	43,902.00	43,902.00
Total Revenues	-	108,750.00	108,750.00	108,750.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	7,596.08	7,596.08	13,424.00
Construction Services	-	142,000.00	142,000.00	87,000.25
Legal Services	-	981.70	981.70	1,000.00
Other Objects	-	909.17	909.17	7,325.75
Total Expenditures	-	151,486.95	151,486.95	108,750.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (42,736.95)	\$ (42,736.95)	\$ -

Additional Project Information:

Project Number	4800-060-10-1007
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 64,848.00
Bonds Issued	64,848.00
Original Authorized Cost	108,750.00
Additional Authorized Cost	-
Revised Authorized Cost	108,750.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	139%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Replacement of Coping
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 11,181.00	\$ 11,181.00	\$ 11,181.00
State Sources - EDA Grant	-	7,569.00	7,569.00	7,569.00
Total Revenues	-	18,750.00	18,750.00	18,750.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	1,035.89	1,035.89	2,029.50
Construction Services	-	37,000.00	37,000.00	15,000.00
Legal Services	-	158.18	158.18	170.00
Other Objects	-	205.19	205.19	1,550.50
Total Expenditures	-	38,399.26	38,399.26	18,750.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (19,649.26)	\$ (19,649.26)	\$ -

Additional Project Information:

Project Number	4800-060-10-1008
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 11,181.00
Bonds Issued	11,181.00
Original Authorized Cost	18,750.00
Additional Authorized Cost	-
Revised Authorized Cost	18,750.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	205%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Replacement of Concrete Steps
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 14,908.00	\$ 14,908.00	\$ 14,908.00
State Sources - EDA Grant	-	10,092.00	10,092.00	10,092.00
Total Revenues	-	25,000.00	25,000.00	25,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	1,380.98	1,380.98	2,708.00
Construction Services	-	27,257.00	27,257.00	20,000.00
Legal Services	-	209.37	209.37	225.00
Other Objects	-	251.89	251.89	2,067.00
Total Expenditures	-	29,099.24	29,099.24	25,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (4,099.24)	\$ (4,099.24)	\$ -

Additional Project Information:

Project Number	4800-060-10-1009
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 14,908.00
Bonds Issued	14,908.00
Original Authorized Cost	25,000.00
Additional Authorized Cost	-
Revised Authorized Cost	25,000.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	116%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Repair of Steel Lintels
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 14,908.00	\$ 14,908.00	\$ 14,908.00
State Sources - EDA Grant	-	10,092.00	10,092.00	10,092.00
Total Revenues	-	25,000.00	25,000.00	25,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	1,380.98	1,380.98	2,708.00
Construction Services	-	70,765.00	70,765.00	20,000.00
Legal Services	-	209.37	209.37	225.00
Other Objects	-	251.89	251.89	2,067.00
Total Expenditures	-	72,607.24	72,607.24	25,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (47,607.24)	\$ (47,607.24)	\$ -

Additional Project Information:

Project Number	4800-060-10-1010
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 14,908.00
Bonds Issued	14,908.00
Original Authorized Cost	25,000.00
Additional Authorized Cost	-
Revised Authorized Cost	25,000.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	290%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Replacement of Exterior Windows
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 165,565.00	\$ 165,565.00	\$ 165,565.00
State Sources - EDA Grant	-	112,085.00	112,085.00	112,085.00
Total Revenues	-	277,650.00	277,650.00	277,650.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	15,110.01	15,110.01	29,790.00
Construction Services	-	128,800.00	128,800.00	222,100.00
Legal Services	-	2,745.44	2,745.44	2,800.00
Other Objects	-	2,735.92	2,735.92	22,960.00
Total Expenditures	-	149,391.37	149,391.37	277,650.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 128,258.63	\$ 128,258.63	\$ -

Additional Project Information:

Project Number	4800-060-10-1011
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 165,565.00
Bonds Issued	165,565.00
Original Authorized Cost	277,650.00
Additional Authorized Cost	-
Revised Authorized Cost	277,650.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	54%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of PA System
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 52,177.00	\$ 52,177.00	\$ 52,177.00
State Sources - EDA Grant	-	35,323.00	35,323.00	35,323.00
Total Revenues	-	87,500.00	87,500.00	87,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	4,835.08	4,835.08	9,464.00
Construction Services	-	82,400.00	82,400.00	70,000.00
Legal Services	-	744.42	744.42	800.00
Other Objects	-	849.24	849.24	7,236.00
Total Expenditures	-	88,828.74	88,828.74	87,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (1,328.74)	\$ (1,328.74)	\$ -

Additional Project Information:

Project Number	4800-055-10-1012
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 52,177.00
Bonds Issued	52,177.00
Original Authorized Cost	87,500.00
Additional Authorized Cost	-
Revised Authorized Cost	87,500.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	102%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Fire Alarm System Replacement
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 260,884.00	\$ 260,884.00	\$ 260,884.00
State Sources - EDA Grant	-	176,616.00	176,616.00	176,616.00
Total Revenues	-	437,500.00	437,500.00	437,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	24,205.02	24,205.02	47,519.00
Construction Services	-	262,400.00	262,400.00	350,000.00
Legal Services	-	3,535.95	3,535.95	3,800.00
Other Objects	-	4,261.29	4,261.29	36,181.00
Total Expenditures	-	294,402.26	294,402.26	437,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 143,097.74	\$ 143,097.74	\$ -

Additional Project Information:

Project Number	4800-055-10-1013
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 260,884.00
Bonds Issued	260,884.00
Original Authorized Cost	437,500.00
Additional Authorized Cost	-
Revised Authorized Cost	437,500.00

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	67%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Emergency Generator
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 48,450.00	\$ 48,450.00	\$ 48,450.00
State Sources - EDA Grant	-	32,800.00	32,800.00	32,800.00
Total Revenues	-	81,250.00	81,250.00	81,250.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	4,438.59	4,438.59	8,730.50
Construction Services	-	84,400.00	84,400.00	65,000.00
Legal Services	-	744.42	744.42	800.00
Other Objects	-	802.54	802.54	6,719.50
Total Expenditures	-	90,385.55	90,385.55	81,250.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (9,135.55)	\$ (9,135.55)	\$ -

Additional Project Information:

Project Number	4800-055-10-1014
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 48,450.00
Bonds Issued	48,450.00
Original Authorized Cost	81,250.00
Additional Authorized Cost	-
Revised Authorized Cost	81,250.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	111%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Electrical System
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 171,438.00	\$ 171,438.00	\$ 171,438.00
State Sources - EDA Grant	-	116,062.00	116,062.00	116,062.00
Total Revenues	-	287,500.00	287,500.00	287,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	15,807.83	15,807.83	31,024.00
Construction Services	-	204,400.00	204,400.00	230,000.00
Legal Services	-	2,666.00	2,666.00	2,700.00
Other Objects	-	2,810.70	2,810.70	23,776.00
Total Expenditures	-	225,684.53	225,684.53	287,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 61,815.47	\$ 61,815.47	\$ -

Additional Project Information:

Project Number	4800-055-10-1015
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 171,438.00
Bonds Issued	171,438.00
Original Authorized Cost	287,500.00
Additional Authorized Cost	-
Revised Authorized Cost	287,500.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	78%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Replacement of Clock and Speaker System
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 22,362.00	\$ 22,362.00	\$ 22,362.00
State Sources - EDA Grant	-	15,138.00	15,138.00	15,138.00
Total Revenues	-	37,500.00	37,500.00	37,500.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	2,055.39	2,055.39	4,029.00
Construction Services	-	34,400.00	34,400.00	30,000.00
Legal Services	-	344.29	344.29	370.00
Other Objects	-	345.38	345.38	3,101.00
Total Expenditures	-	37,145.06	37,145.06	37,500.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 354.94	\$ 354.94	\$ -

Additional Project Information:

Project Number	4800-055-10-1016
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 22,362.00
Bonds Issued	22,362.00
Original Authorized Cost	37,500.00
Additional Authorized Cost	-
Revised Authorized Cost	37,500.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	99%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Brick Repointing and Waterproofing
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 178,892.00	\$ 178,892.00	\$ 178,892.00
State Sources - EDA Grant	-	121,108.00	121,108.00	121,108.00
Total Revenues	-	300,000.00	300,000.00	300,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	16,362.36	16,362.36	32,290.00
Construction Services	-	178,512.00	178,512.00	240,000.00
Legal Services	-	2,956.19	2,956.19	2,956.19
Other Objects	-	2,963.19	2,963.19	24,753.81
Total Expenditures	-	200,793.74	200,793.74	300,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 99,206.26	\$ 99,206.26	\$ -

Additional Project Information:

Project Number	4800-060-10-1017
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 178,892.00
Bonds Issued	178,892.00
Original Authorized Cost	300,000.00
Additional Authorized Cost	-
Revised Authorized Cost	300,000.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	67%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Dawes Avenue Elementary School - Replacement of Telephone System and Software
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 37,120.00	\$ 37,120.00	\$ 37,120.00
State Sources - EDA Grant	-	25,130.00	25,130.00	25,130.00
Total Revenues	-	62,250.00	62,250.00	62,250.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	3,442.43	3,442.43	6,102.00
Construction Services	-	42,400.00	42,400.00	49,800.00
Legal Services	-	1,116.62	1,116.62	1,200.00
Other Objects	-	590.45	590.45	5,148.00
Total Expenditures	-	47,549.50	47,549.50	62,250.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 14,700.50	\$ 14,700.50	\$ -

Additional Project Information:

Project Number	4800-050-10-1018
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 37,120.00
Bonds Issued	37,120.00
Original Authorized Cost	62,250.00
Additional Authorized Cost	-
Revised Authorized Cost	62,250.00

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	76%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Upgrade Telephone System and Software
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 13,939.00	\$ 13,939.00	\$ 13,939.00
State Sources - EDA Grant	-	9,436.00	9,436.00	9,436.00
Total Revenues	-	23,375.00	23,375.00	23,375.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	1,238.14	1,238.14	2,807.50
Construction Services	-	18,000.00	18,000.00	18,000.00
Legal Services	-	760.23	760.23	817.00
Other Objects	-	232.31	232.31	1,750.50
Total Expenditures	-	20,230.68	20,230.68	23,375.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 3,144.32	\$ 3,144.32	\$ -

Additional Project Information:

Project Number	4800-055-10-1019
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 13,939.00
Bonds Issued	13,969.00
Original Authorized Cost	23,375.00
Additional Authorized Cost	-
Revised Authorized Cost	23,375.00

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	87%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue School - Upgrade Telephone System and Software
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 2,922.00	\$ 2,922.00	\$ 2,922.00
State Sources - EDA Grant	-	1,978.00	1,978.00	1,978.00
Total Revenues	-	4,900.00	4,900.00	4,900.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	268.06	268.06	497.00
Construction Services	-	4,200.00	4,200.00	3,900.00
Legal Services	-	93.04	93.04	100.00
Other Objects	-	96.43	96.43	403.00
Total Expenditures	-	4,657.53	4,657.53	4,900.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 242.47	\$ 242.47	\$ -

Additional Project Information:

Project Number	4800-060-10-1020
Grant Date	4/7/2011
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 2,922.00
Bonds Issued	2,922.00
Original Authorized Cost	4,900.00
Additional Authorized Cost	300.00
Revised Authorized Cost	5,200.00

Percentage Increase over Original Authorized Cost	6%
Percentage Completion	90%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Jordan Road Elementary School - Door Replacement and Stage Curtain Replacement
From Inception and for the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ -	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
State Sources - EDA Grant	-		-	-
Total Revenues	<u>-</u>	<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	2,257.12	2,257.12	4,472.00
Construction Services	-	45,114.00	45,114.00	32,000.00
Legal Services	-	204.67	204.67	220.00
Other Objects	-	408.09	408.09	3,308.00
Total Expenditures	<u>-</u>	<u>47,983.88</u>	<u>47,983.88</u>	<u>40,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (7,983.88)</u>	<u>\$ (7,983.88)</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	12/14/2010
Bonds Authorized	\$ 40,000.00
Bonds Issued	40,000.00
Original Authorized Cost	40,000.00
Additional Authorized Cost	-
Revised Authorized Cost	40,000.00

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	120%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	

PROPRIETARY FUND DETAIL STATEMENTS

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

Community Education Recreation Program Fund - This fund provides for the operation of the before and after school child-care programs along with other community education and recreation activities.

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

FIDUCIARY FUNDS DETAIL STATEMENTS

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

Unemployment Compensation Fund - This Trust Fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

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

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

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Trust</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS				
Cash and Cash Equivalents	\$ 154,226.77	\$	\$ 34,708.15	\$ 188,934.92
Intrafund Receivable	5,426.64		-	5,426.64
Total Assets	<u>159,653.41</u>	<u>-</u>	<u>34,708.15</u>	<u>194,361.56</u>
LIABILITIES				
Payable to Student Groups			29,281.51	29,281.51
Intrafund Payable			5,426.64	5,426.64
Accounts Payable	1,462.11		-	1,462.11
Total Liabilities	<u>1,462.11</u>	<u>-</u>	<u>34,708.15</u>	<u>36,170.26</u>
NET ASSETS				
Held in Trust for Unemployment Claims and Other Purposes	\$ <u>158,191.30</u>			<u>158,191.30</u>
Total Net Assets				<u>158,191.30</u>
Total Liabilities and Net Assets			<u>\$ 194,361.56</u>	

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Member	\$ 16,027.03	\$ -	\$ 16,027.03
Total Contributions	<u>16,027.03</u>	<u>-</u>	<u>16,027.03</u>
Investments Earnings:			
Interest	651.61	-	651.61
Net Investment Earnings	<u>651.61</u>	<u>-</u>	<u>651.61</u>
Total Additions	<u>16,678.64</u>	<u>-</u>	<u>16,678.64</u>
Deductions			
Unemployment Claims	22,647.60	-	22,647.60
Total Deductions	<u>22,647.60</u>	<u>-</u>	<u>22,647.60</u>
Change in Net Assets	(5,968.96)	-	(5,968.96)
Net Assets - Beginning of the Year	<u>164,160.26</u>	<u>-</u>	<u>164,160.26</u>
Net Assets - End of the Year	<u>\$ 158,191.30</u>	<u>\$ -</u>	<u>\$ 158,191.30</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Elementary Schools:				
Picture Money	\$ 4,454.23	\$ 1,439.07	\$ 818.00	\$ 5,075.30
Soccer/Basketball	120.00		120.00	-
Sports	518.50	1,131.94		1,650.44
Performing Arts	378.83			378.83
Chorus	191.28	162.00		353.28
Eighth Grade	2,452.59	2,307.93	2,282.14	2,478.38
Sixth Grade	3,426.78	6,536.86	2,190.19	7,773.45
Year Book	882.49	2,030.00	1,882.49	1,030.00
Bible Club	1.00			1.00
Student Council	3,401.15	1,808.00	3,396.02	1,813.13
Future Act Club	130.58		69.75	60.83
FCS	148.11	200.00	210.30	137.81
Meredith Sch. Fund	2,539.05	3,280.00	500.00	5,319.05
Softball	0.09		0.09	-
Band	547.85	5,499.00	5,945.30	101.55
JRS Ed. Character	74.85		74.85	-
JRS Rock Solid	310.89		300.00	10.89
Natural High Club	1.00			1.00
Science Club	899.26	289.00	356.00	832.26
Shore Tomorrow	500.25	1,608.00	2,000.00	108.25
Box Tops for Education	604.80			604.80
DWS-Char.Ed. "Exxon"	123.32		123.32	-
National Honor Society	335.50	200.00	481.60	53.90
Wlt Memorial Fund	203.50			203.50
Life Skills	85.74		85.74	-
Student Interact - Dawes	-	540.15	413.84	126.31
Performing Arts Club	-	732.60		732.60
Dawes - 5th Grade Popcorn	-	49.00		49.00
Atlanticare - Dawes	-	750.00	699.24	50.76
Wellness Awards - JRS	-	750.00	414.81	335.19
Total Assets	\$ 22,331.64	\$ 26,491.80	\$ 20,835.79	\$ 29,281.51

**CITY OF SOMERS POINT SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011**

	<u>Balance</u> <u>June 30, 2010</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2011</u>
ASSETS:							
Cash and Cash Equivalents	\$ 13,470.70	\$	\$4,593,716.31	\$	\$4,601,760.37	\$	5,426.64
Total Assets	<u>\$ 13,470.70</u>	\$	<u>4,593,716.31</u>	\$	<u>4,601,760.37</u>	\$	<u>5,426.64</u>
LIABILITIES:							
Payroll Deductions & Withholding	\$ 13,470.70	\$	\$4,593,716.31	\$	\$4,607,187.01	\$	-
Intrafund Payable			5,426.64				5,426.64
Total Liabilities	<u>\$ 13,470.70</u>	\$	<u>4,599,142.95</u>	\$	<u>4,607,187.01</u>	\$	<u>5,426.64</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.

CITY OF SOMERS POINT SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 859,124.00	\$ -	\$ 859,124.00	\$ 859,124.00	\$ -
Total - Local Sources	859,124.00	-	859,124.00	859,124.00	-
State Sources:					
Debt Service Aid Type II	192,543.00	-	192,543.00	192,543.00	-
Total - State Sources	192,543.00	-	192,543.00	192,543.00	-
Total Revenues	1,051,667.00	-	1,051,667.00	1,051,667.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest	89,667.00	-	89,667.00	89,667.00	-
Redemption of Principal	962,000.00	-	962,000.00	962,000.00	-
Total Regular Debt Service	1,051,667.00	-	1,051,667.00	1,051,667.00	-
Total Expenditures	1,051,667.00	-	1,051,667.00	1,051,667.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources(Uses):					
Operating Transfers In:					
Transfer from Capital Projects	-	-	-	844.32	844.32
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	-	-	-	844.32	844.32
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 844.32	\$ 844.32
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ -	\$ -	\$ -	\$ 844.32	\$ 844.32

Statistical Section

CITY OF SOMERS POINT SCHOOL DISTRICT
 Net Assets by Component,
 Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt									
Restricted	\$ 596,542.65	\$ (434,410.29)	\$ 1,779,919.68	\$ 3,155,214.05	\$ 3,736,252.16	\$ 4,303,441.57	\$ 5,041,078.39	\$ 5,852,698.81	\$ 3,660,227.75
Unrestricted	(76,447.09)	2,723,810.31	1,095,907.40	270,964.47	596,520.89	795,797.19	1,120,691.88	997,327.78	3,424,884.95
Total governmental activities net assets	\$ 621,953.51	\$ (20,828.87)	\$ 148,923.13	\$ 35,059.96	\$ (118,784.85)	\$ (307,653.54)	\$ (337,244.20)	\$ (560,373.18)	\$ 358,979.77
	\$ 1,142,049.07	\$ 2,268,571.15	\$ 3,024,750.21	\$ 3,461,238.48	\$ 4,213,988.20	\$ 4,791,585.22	\$ 5,824,526.07	\$ 6,289,653.41	\$ 7,444,092.47
Business-type activities									
Invested in capital assets, net of related debt									
Restricted	\$ -	\$ 411.72	\$ 181.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	30,707.30	20,043.30	44,126.86	50,110.49	45,760.96	59,079.51	87,280.56	34,279.94	1,689.34
Total business-type activities net assets	\$ 30,707.30	\$ 20,455.02	\$ 44,308.79	\$ 50,110.49	\$ 45,760.96	\$ 59,079.51	\$ 87,280.56	\$ 34,279.94	\$ 1,689.34
District-wide									
Invested in capital assets, net of related debt									
Restricted	\$ 596,542.65	\$ (433,998.57)	\$ 1,780,101.61	\$ 3,155,214.05	\$ 3,736,252.16	\$ 4,303,441.57	\$ 5,041,078.39	\$ 5,852,698.81	\$ 3,660,227.75
Unrestricted	(76,447.09)	2,723,810.31	1,095,907.40	270,964.47	596,520.89	795,797.19	1,120,691.88	997,327.78	3,424,884.95
Total district net assets	\$ 652,660.81	\$ (785.57)	\$ 193,049.99	\$ 85,170.45	\$ (73,023.89)	\$ (248,574.03)	\$ (249,963.64)	\$ (526,093.24)	\$ 360,669.11
	\$ 1,172,756.37	\$ 2,289,026.17	\$ 3,069,059.00	\$ 3,511,348.97	\$ 4,259,749.16	\$ 4,850,664.73	\$ 5,911,806.63	\$ 6,323,933.35	\$ 7,445,781.81

Source: CAFR Schedule A-1

CITY OF SOMERS POINT SCHOOL DISTRICT
 Changes in Net Assets,
 Last Nine Fiscal Years
 (accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
Instruction:									
Regular	\$ 4,932,386.46	\$ 5,295,465.87	\$ 5,296,654.10	\$ 5,621,968.42	\$ 5,815,642.58	\$ 6,314,548.46	\$ 6,606,505.98	\$ 6,921,451.28	\$ 7,073,713.20
Special education	2,378,052.49	2,438,370.74	2,508,867.71	2,552,931.75	2,690,954.34	2,721,628.96	2,376,460.80	3,240,278.86	3,349,397.70
Other special instruction	220,198.48	321,090.49	297,214.67	179,686.20	457,365.66	589,656.41	357,033.28	337,138.25	361,429.81
Support Services:									
Tuition	622,862.73	725,136.25	656,394.66	677,395.22	637,988.21	469,063.64	449,947.17	446,018.03	178,645.32
Student & instruction related services	1,851,907.09	1,932,696.76	1,941,660.76	2,056,996.33	1,916,815.10	1,969,074.52	2,346,504.00	2,426,798.23	2,283,287.78
General administrative services	427,889.43	550,309.54	508,436.95	497,688.96	487,337.94	603,896.19	504,462.63	423,562.58	427,829.59
School administrative services	398,458.89	426,391.00	477,525.77	514,490.92	524,633.99	613,267.35	537,843.00	648,360.62	669,600.64
Central services	283,004.87	308,820.97	337,915.14	354,711.82	353,943.80	431,139.85	360,241.19	334,019.26	345,634.98
Plant operations and maintenance	952,264.49	1,039,607.83	1,018,467.26	1,166,685.98	1,307,908.05	1,299,196.00	1,219,804.32	1,237,252.33	1,247,036.78
Pupil transportation	289,972.67	281,600.47	301,765.86	335,721.42	300,582.97	307,132.09	266,426.95	290,119.15	250,452.70
Food Service	15,189.29	16,588.96	16,340.06	17,149.04	24,628.74	25,263.42	24,922.20	26,996.64	27,884.30
Charter Schools	13,633.00	22,798.00	14,608.45	70,202.80	66,851.00	53,006.00	37,419.00	109,285.00	31,523.00
Interest on long-term debt	414,273.67	292,203.83	268,314.74	314,740.69	238,350.34	199,517.00	159,117.00	117,933.66	90,664.73
Unallocated depreciation				2,174.19	2,174.19	2,174.19	2,174.19	2,174.19	2,174.19
Total governmental activities expenses	12,800,093.56	13,651,083.71	13,644,166.13	14,382,523.74	14,825,176.91	15,598,564.08	15,248,861.71	16,561,389.08	16,339,274.72

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:									
Community Education Recreation Program	\$ 296,821.19	\$ 195,008.85	\$ 205,795.59	\$ 353,348.77	\$ 341,046.66	\$ 324,774.81	\$ 243,475.16	\$ 269,396.90	\$ 178,420.23
Total business-type activities expenses	296,821.19	195,008.85	205,795.59	353,348.77	341,046.66	324,774.81	243,475.16	269,396.90	178,420.23
Total district expenses	\$ 13,096,914.75	\$ 13,846,092.56	\$ 13,849,961.72	\$ 14,735,872.51	\$ 15,166,223.57	\$ 15,923,338.89	\$ 15,492,336.87	\$ 16,890,785.98	\$ 16,517,694.95
Program Revenues									
Governmental activities:									
Charges for services:									
Operating grants and contributions	\$ 2,049,803.04	\$ 3,951,434.57	\$ 4,025,508.39	\$ 4,117,212.74	\$ 4,331,127.56	\$ 4,861,385.50	\$ 2,532,295.94	\$ 2,769,460.20	\$ 1,663,147.49
Capital grants and contributions		1,011,762.00							206,885.62
Total governmental activities program revenues	2,049,803.04	4,963,196.57	4,025,508.39	4,117,212.74	4,331,127.56	4,861,385.50	2,532,295.94	2,769,460.20	1,870,033.11
Business-type activities:									
Charges for services:									
Community Education Recreation Program	269,688.72	204,756.57	229,649.36	260,971.64	233,680.36	252,339.39	271,676.21	216,396.28	145,829.63
Operating grants and contributions									
Capital grants and contributions									
Total business-type activities program revenue	269,688.72	204,756.57	229,649.36	260,971.64	233,680.36	252,339.39	271,676.21	216,396.28	145,829.63
Total district program revenue	\$ 2,319,491.76	\$ 5,167,953.14	\$ 4,255,157.75	\$ 4,378,184.38	\$ 4,564,807.92	\$ 5,113,724.89	\$ 2,803,972.15	\$ 2,985,856.48	\$ 2,015,862.74

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue									
Governmental activities	\$ (10,750,290.52)	\$ (8,687,887.14)	\$ (9,618,657.74)	\$ (10,265,311.00)	\$ (10,494,049.35)	\$ (10,737,178.58)	\$ (12,716,565.77)	\$ (13,791,928.88)	\$ (14,469,241.61)
Business-type activities	(27,132.47)	9,747.72	23,853.77	(92,377.13)	(107,366.30)	(72,435.42)	28,201.05	(53,000.62)	(32,590.60)
Total district-wide net expense	<u>\$ (10,777,422.99)</u>	<u>\$ (8,678,139.42)</u>	<u>\$ (9,594,803.97)</u>	<u>\$ (10,357,688.13)</u>	<u>\$ (10,601,415.65)</u>	<u>\$ (10,809,614.00)</u>	<u>\$ (12,688,364.72)</u>	<u>\$ (13,844,929.50)</u>	<u>\$ (14,501,832.21)</u>
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Property taxes levied for general purposes, net	\$ 5,999,479.00	\$ 6,498,524.00	\$ 6,925,976.00	\$ 7,276,356.00	\$ 7,861,264.00	\$ 7,725,264.00	\$ 7,726,935.00	\$ 7,794,737.00	\$ 7,816,157.00
Taxes levied for debt service	687,593.00	709,945.00	773,018.00	828,934.00	813,791.00	849,263.00	819,451.00	826,393.00	859,124.00
Unrestricted grants and contributions	4,019,583.92	2,517,800.70	2,577,471.46	2,627,808.16	2,538,871.58	2,701,024.70	5,094,808.38	5,573,502.97	6,867,314.81
Investment earnings	22,267.26	11,071.56	32,733.60	57,140.40	80,787.06	46,066.75	13,726.82	9,875.82	11,486.85
Miscellaneous income	91,797.47	57,066.96	65,637.74	35,968.35	55,102.20	78,911.12	94,585.42	52,547.43	69,598.01
Transfers	894.02	20,000.00	-	(98,178.83)	(103,016.77)	(85,753.97)	-	-	-
Total governmental activities	<u>10,821,614.67</u>	<u>9,814,408.22</u>	<u>10,374,836.80</u>	<u>10,728,028.08</u>	<u>11,246,799.07</u>	<u>11,314,775.60</u>	<u>13,749,506.62</u>	<u>14,257,056.22</u>	<u>15,623,680.67</u>
Business-type activities:									
Transfers	-	(20,000.00)	-	98,178.83	103,016.77	85,753.97	-	-	-
Total business-type activities	<u>(27,132.47)</u>	<u>(20,000.00)</u>	<u>-</u>	<u>98,178.83</u>	<u>103,016.77</u>	<u>85,753.97</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 10,821,614.67</u>	<u>\$ 9,794,408.22</u>	<u>\$ 10,374,836.80</u>	<u>\$ 10,826,206.91</u>	<u>\$ 11,349,815.84</u>	<u>\$ 11,400,529.57</u>	<u>\$ 13,749,506.62</u>	<u>\$ 14,257,056.22</u>	<u>\$ 15,623,680.67</u>
Changes in Net Assets									
Governmental activities	\$ 71,324.15	\$ 1,126,521.08	\$ 756,179.06	\$ 462,717.08	\$ 752,749.72	\$ 577,597.02	\$ 1,032,940.85	\$ 465,127.34	\$ 1,154,439.06
Business-type activities	(27,132.47)	(10,252.28)	23,853.77	5,801.70	(4,349.53)	13,318.55	28,201.05	(53,000.62)	(32,590.60)
Total district	<u>\$ 44,191.68</u>	<u>\$ 1,116,268.80</u>	<u>\$ 780,032.83</u>	<u>\$ 468,518.78</u>	<u>\$ 748,400.19</u>	<u>\$ 590,915.57</u>	<u>\$ 1,061,141.90</u>	<u>\$ 412,126.72</u>	<u>\$ 1,121,848.46</u>

Source: CAFR Schedule A-2

CITY OF SOMERS POINT SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund									
Restricted									
Committed									\$ 1,015,082.69
Assigned									288,171.34
Unassigned									(185,754.10)
Reserved	217,303.80	277,566.96	217,057.40	318,985.28	670,102.04	857,848.11	1,169,042.80	1,031,195.36	
Unreserved	691,500.10	434,005.15	506,071.84	399,537.73	251,693.17	179,439.37	53,976.26	(151,948.45)	
Total general fund	\$ 908,803.90	\$ 711,572.11	\$ 723,129.24	\$ 718,523.01	\$ 921,795.21	\$ 1,037,287.48	\$ 1,223,019.06	\$ 879,246.91	\$ 1,117,499.93
All Other Governmental Funds									
Restricted									
Capital Projects Fund									
Debt Service Fund									
Committed									\$ (1,106,277.31)
Assigned									844.32
Unassigned									4,241,083.25
Reserved									(28,171.80)
Unreserved, reported in:									
Special revenue fund		25,644.17	819,928.95						
Capital projects fund	(39,305.55)	(36,745.40)	(36,744.80)	(36,744.80)	(36,744.80)	(48,044.80)	(26,522.90)	(26,644.90)	
Debt service fund	56,811.67	2,515,516.66	87,274.67	9,910.38					
Permanent fund	2,271.46	4,837.02	32,540.27	30,736.39	2,169.77	351.77			
Total all other governmental funds	\$ 19,777.58	\$ 2,509,252.45	\$ 902,999.18	\$ 3,901.97	\$ (34,575.03)	\$ (47,693.03)	\$ (26,522.90)	\$ (26,644.90)	\$ 3,107,478.46

Source: CAFR Schedule B-1

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax Levy	\$ 6,302,465	\$ 6,687,072	\$ 7,208,469	\$ 7,698,994	\$ 8,105,290	\$ 8,675,055	\$ 8,574,527	\$ 8,546,386	\$ 8,621,130	\$ 8,675,281
Tuition charges		22,267	11,072	32,734	22,538	9,163	12,402	13,681	35,667	31,226
Interest earnings	56,468	91,797	57,067	65,638	57,140	80,787	46,067	13,727	9,876	11,487
Miscellaneous	96,763	5,425,060	6,755,290	5,862,821	13,430	45,939	66,509	80,904	16,881	32,372
State sources	5,486,696	644,327	725,707	808,808	5,971,263	5,988,419	6,809,816	6,838,579	6,037,644	7,006,920
Federal sources	561,295				774,948	881,580	752,594	788,526	2,305,319	1,523,543
Total revenue	12,503,687	12,870,524	14,757,605	14,468,994	14,944,609	15,680,943	16,261,915	16,281,803	17,026,516	17,286,828
Expenditures										
Instruction:										
Regular instruction	3,013,850	3,526,773	3,687,474	3,722,145	5,012,307	5,147,103	5,343,861	4,890,007	4,978,785	4,806,047
Special education instruction	2,529,634	2,149,146	2,165,490	2,163,758	2,211,801	2,337,783	2,446,532	1,787,734	2,493,013	2,460,873
Other special education instruction	203,876	169,456	237,974	223,024	156,162	429,778	473,538	259,623	241,440	252,552
Support Services:										
Tuition	574,277	622,863	725,138	656,395	677,395	637,988	469,064	449,947	446,018	178,645
Student & instruction related services	1,469,900	1,490,407	1,529,295	1,559,291	1,837,313	1,890,468	1,650,622	1,830,866	1,824,070	1,824,070
General administrative services	328,009	357,922	456,562	417,514	455,309	448,102	492,499	395,967	323,956	331,221
School administrative services	324,258	309,806	323,910	364,323	454,014	464,244	484,973	414,544	458,220	484,299
Central services	211,967	219,794	233,305	259,069	314,657	314,556	346,237	269,382	244,141	248,973
Plant operations and maintenance	786,818	820,143	888,725	901,192	1,169,013	1,309,050	1,286,353	1,100,230	1,091,886	1,095,620
Pupil transportation	236,502	269,936	256,817	279,341	326,338	293,474	296,686	254,388	282,867	243,794
Food Service Program	14,451	15,189	16,589	16,340	17,149	24,629	25,263	24,922	26,997	27,884
Unallocated employee benefits	1,730,915	2,203,802	2,427,736	2,695,319	1,057,365	1,139,122	1,586,364	3,245,593	3,610,039	3,728,427
Charter schools		13,633	22,799	14,608	70,203	66,851	53,006	37,419	109,285	31,523
Capital outlay	319,355	137,171	97,875	1,715,546	932,952	39,716	155,604	71,460	129,992	591,856
Debt service:										
Principal	600,000	625,000	650,000	700,000	770,000	820,000	870,000	870,000	920,000	962,000
Interest and other charges	346,249	318,049	288,674	307,175	286,967	251,267	213,217	172,817	132,417	89,667
Total Expenditures	12,670,060	13,249,089	14,008,362	15,995,041	15,748,944	15,414,131	16,193,819	16,074,901	17,370,410	17,357,452
Excess (Deficiency) of revenues over (under) expenditures	(166,373)	(378,566)	749,243	(1,526,047)	(804,335)	266,812	68,096	206,902	(343,894)	(70,624)
Other Financing Sources (Uses)										
Transfers in		4,584	23,600	29,379	1,818	351	-	1	-	844
Transfers out	(70,000)	(3,690)	(3,600)	(25,379)	(99,997)	(103,368)	(85,754)	(1)	-	(844)
Capital Leases (non-budgeted)	-	-	-	-	-	-	121,032	-	-	-
Canceled accounts receivable	-	-	-	(68,648)	(1,190)	-	-	-	-	-
Bond proceeds	-	-	1,523,000	-	-	-	-	-	-	-
Transfer to arbitrage	-	-	-	-	-	-	-	-	-	3,443,000
Total other financing sources (uses)	-	894	1,543,000	(68,648)	(99,369)	(103,017)	35,276	-	-	-
Net change in fund balances	(166,373)	(377,672)	2,292,243	(1,594,696)	(903,703)	163,795	103,374	206,902	(343,894)	3,372,376
Debt service as a percentage of noncapital expenditures	7.66%	7.19%	6.75%	7.05%	7.13%	6.97%	6.75%	6.52%	6.10%	6.27%

Source: CAFR Schedule B-2

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Interest on		Tuition		Rentals	Miscellaneous	Totals
	Investments		Revenue				
2002	\$ 47,437.83	\$	-	\$	50,000.00	\$ 37,045.67	\$ 134,483.50
2003	21,945.30				54,999.96	36,797.51	113,742.77
2004	13,720.49		7,450.00		32,083.31	11,263.16	64,516.96
2005	29,469.06		3,264.00			35,647.18	68,380.24
2006	55,322.28		22,538.00			13,430.45	91,290.73
2007	80,435.68		9,163.12			45,939.08	135,537.88
2008	46,066.75		12,402.40			66,508.72	124,977.87
2009	13,726.82		13,681.48			80,903.94	108,312.24
2010	9,875.82		35,666.79			16,880.64	62,423.25
2011	9,792.53		37,226.41			32,371.60	79,390.54

Source: District Records

Exhibit J-6

CITY OF SOMERS POINT SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2002	\$ 13,674,400	\$ 434,950,200	\$ -	\$ -	\$ 146,497,000	\$ -	\$ 41,237,000	\$ 636,358,600	\$ -	\$ 3,283,136	\$ 639,641,736	1.016	708,665,783
2003	15,593,900	438,852,200	-	-	147,983,400	-	41,237,000	643,676,500	-	3,391,942	647,068,442	1.074	708,184,789
2004	26,813,400	440,225,000	-	-	165,254,900	-	41,166,600	673,459,900	-	3,126,422	676,586,322	1.102	809,507,444
2005	16,389,900	456,075,200	-	-	157,464,200	-	40,991,600	670,920,900	-	2,746,021	673,666,921	1.173	846,208,920
2006	12,369,400	459,859,300	-	-	165,545,900	-	40,821,500	678,596,100	-	2,040,101	680,636,201	1.233	1,001,819,548
2007	11,367,900	465,068,900	-	-	168,398,000	-	41,028,800	685,863,600	-	1,857,315	687,720,915	1.254	1,304,973,273
2008	12,735,000	469,806,200	-	-	172,679,800	-	41,205,100	696,426,100	-	1,813,610	698,239,910	1.226	1,498,690,513
2009	11,560,500	473,264,900	-	-	172,297,300	-	41,205,100	698,327,800	-	1,685,627	700,013,427	1.226	1,586,612,482
2010	9,673,000	475,701,700	-	-	164,782,600	-	41,205,100	691,362,400	-	1,786,733	693,149,133	1.248	1,483,674,622
2011	9,424,200	473,997,500	-	-	163,589,400	-	40,905,100	687,916,200	-	1,796,796	689,712,996	1.247	1,409,648,108

Source: County Abstract of Ratables & Municipal Tax Assessor

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Exhibit J-7

Fiscal Year Ended June 30,	CITY OF SOMERS POINT SCHOOL DISTRICT				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Regional School	Municipal Local Purpose	
2002	0.910	0.106	1.016	0.464	0.022	0.073	0.648	0.809	3.032
2003	0.966	0.108	1.074	0.486	0.024	0.080	0.671	0.804	3.139
2004	0.992	0.110	1.102	0.477	0.025	0.078	0.664	0.801	3.147
2005	1.054	0.119	1.173	0.495	0.029	0.082	0.718	0.861	3.358
2006	1.112	0.121	1.233	0.560	0.038	0.094	0.803	0.958	3.686
2007	1.133	0.121	1.254	0.516	0.043	0.092	0.852	1.084	3.841
2008	1.107	0.119	1.226	0.510	0.046	0.093	0.862	1.169	3.906
2009	1.107	0.119	1.226	0.563	0.011	0.103	0.881	1.226	4.010
2010	1.128	0.120	1.248	0.560	0.011	0.099	0.986	1.251	4.155
2011	1.127	0.120	1.247	0.628	0.011	0.102	1.053	1.274	4.315

Source: District Records and Municipal Tax Collector

CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Ten Years Ago

Exhibit J-8

Taxpayer	2011				2002			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		
Brahin/Somers Point Builders	24,407,600.00	1	3.54%	\$ 13,773,300	1	2.15%		
Village Plaza, LLC	11,900,000	2	1.73%					
Scarborough/Harbour Cove	10,783,200	3	1.56%	6,860,600	6	1.07%		
Sea Aire Apartments, LLC	9,005,000	4	1.31%					
West America, LTD	5,792,500	5	0.84%	5,250,000	9	0.82%		
WWW Associates	5,667,300	6	0.82%					
Related Somers Point, LLC	5,500,000	7	0.80%					
Acme Markets	5,194,800	8	0.75%	6,100,000	7	0.95%		
Est. of P Kiejdan-Marital Trust	4,567,400	9	0.66%					
EQI Financial Partners, LP	4,439,000	10	0.64%					
Somers Point Apartments, LLC				7,128,000	3	1.11%		
Charan Industries				9,005,000	2	1.41%		
Equity Inns				7,098,000	4	1.11%		
Greate Bay LLC				6,970,000	5	1.09%		
Canbar Associates				5,491,000	8	0.86%		
Morris Properties				4,813,300	10	0.75%		
Totals	\$ 87,256,800		12.65%	\$ 67,675,900		10.58%		
				District Assessed Value			\$ 639,641,736	

Source: District CAFR & Municipal Tax Assessor

CITY OF SOMERS POINT SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 6,302,465.00	\$ 6,302,465.00	100%	-
2003	6,687,072.00	6,687,072.00	100%	-
2004	7,208,469.00	7,208,469.00	100%	-
2005	7,698,994.00	7,698,994.00	100%	-
2006	8,105,290.00	8,105,290.00	100%	-
2007	8,675,055.00	8,675,055.00	100%	-
2008	8,574,527.00	8,574,527.00	100%	-
2009	8,546,386.00	8,546,386.00	100%	-
2010	7,794,737.00	7,794,737.00	100%	-
2011	7,816,157.00	7,816,157.00	100%	-

Source: District records including the Certificate and Report of School Taxes (A-4F form)

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income	Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Bond Anticipation Notes (BANS)	Capital Leases	Capital Leases			
2002	\$ 6,767,000	\$ -	\$ -	-	\$ -	6,767,000	0.48%	\$ 32,335
2003	6,142,000	-	-	-	-	6,142,000	0.53%	32,851
2004	7,015,000	-	-	-	-	7,015,000	0.48%	33,623
2005	6,315,000	-	45,200	45,200	-	6,360,200	0.55%	34,671
2006	5,545,000	-	26,229	26,229	-	5,571,229	0.64%	35,826
2007	4,725,000	-	6,659	6,659	-	4,731,659	0.79%	37,194
2008	3,855,000	-	44,183	44,183	-	3,899,183	0.99%	38,553
2009	2,985,000	-	105,250	105,250	-	3,090,250	1.29%	39,923
2010	2,065,000	-	41,032	41,032	-	2,106,032	1.86%	39,156
2011	4,546,000	-	-	-	-	4,546,000	Not Available	Not Available

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2002	\$ 6,767,000	-	\$ 6,767,000	1.06%	\$ 32,335
2003	6,142,000	-	6,142,000	0.95%	32,851
2004	7,015,000	-	7,015,000	1.04%	33,623
2005	6,315,000	-	6,315,000	0.94%	34,671
2006	5,545,000	-	5,545,000	0.81%	35,826
2007	4,725,000	-	4,725,000	0.69%	37,194
2008	3,855,000	-	3,855,000	0.55%	38,553
2009	2,985,000	-	2,985,000	0.43%	39,923
2010	2,065,000	-	2,065,000	0.30%	39,156
2011	4,546,000	-	4,546,000	0.66%	Not Available

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2010

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Somers Point	\$ 9,831,468.00	100.00%	\$ 9,831,468.00
Other Debt			
City of Somers Point Sewer Utility	4,294,575.00	100.00%	4,294,575.00
Mainland Regional High School District	46,910,000.00	38.59%	18,102,980.13
County of Atlantic	137,077,871.00	3.12%	4,278,305.07
Atlantic County Utilities Authority	85,782,144.00	3.12%	2,677,326.25
Atlantic County Improvement Authority	53,263,005.00	3.12%	1,662,379.07
Subtotal, Overlapping Debt			40,847,033.52
City of Somers Point School District Direct Debt			<u>4,546,000.00</u>
Total Direct and Overlapping Debt			<u><u>\$ 45,393,033.52</u></u>

Sources:
Atlantic County Abstract of Ratables
County of Atlantic
Mainland Regional High School District
Annual Debt Statement - City of Somers Point

CITY OF SOMERS POINT SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis	
2010	\$ 1,568,880,604
2009	1,492,153,419
2008	1,568,880,604
	<u>\$ 4,629,914,627</u>

Average equalized valuation of taxable property	\$ 1,543,304,876
Debt limit (3% of average)	46,299,146.27
Net bonded school debt	4,546,000.00
Legal debt margin	<u>\$ 41,753,146.27</u>

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 19,653,013	\$ 21,031,823	\$ 22,499,657	\$ 24,101,081	\$ 30,728,888	\$ 37,208,789	\$ 41,576,765	\$ 45,799,492	\$ 46,155,753	\$ 46,299,146
Total net debt applicable to limit	6,767,000	6,142,000	7,015,000	6,315,000	5,545,000	4,725,000	3,855,000	2,985,000	2,065,000	4,546,000
Legal debt margin	<u>\$ 12,886,013</u>	<u>\$ 14,889,823</u>	<u>\$ 15,484,657</u>	<u>\$ 17,786,081</u>	<u>\$ 25,183,888</u>	<u>\$ 32,483,789</u>	<u>\$ 37,721,765</u>	<u>\$ 42,814,492</u>	<u>\$ 44,090,753</u>	<u>\$ 41,753,146</u>

Total net debt applicable to the limit	34.43%	29.20%	31.18%	26.20%	18.04%	12.70%	9.27%	6.52%	4.47%	9.82%
as a percentage of debt limit										

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years

Exhibit J-14

Fiscal Year Ended June 30,	Population (a)	Personal Income (thousands of dollars) (b)	Per Capita Personal Income ©	Unemployment Rate
2002	11,476	\$ 376,998,076	\$ 32,851	4.1%
2003	11,536	387,874,928	33,623	4.3%
2004	11,611	402,564,981	34,671	4.8%
2005	11,581	414,900,906	35,826	3.0%
2006	11,480	426,987,120	37,194	5.3%
2007	11,390	439,118,670	38,553	5.3%
2008	11,341	452,766,743	39,923	6.6%
2009	11,354	444,577,224	39,156	11.8%
2010	10,795	Not Available	Not Available	12.4%
2011	Not Available	Not Available	Not Available	Not Available

Source:

- (a) U.S. Bureau of Census - Population Estimates
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- © Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Census

CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15

Employer	2011			2002		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Shore Memorial Hospital	1,500	1		1,400	1	Not Available
Kmart	300	2		-	-	Not Available
Starns's Shop Rite	200	3		200	2	Not Available
Somers Point Public Schools	154	4		151	5	Not Available
Acme Market	148	5		148	6	Not Available
City of Somers Point	135	6		143	4	Not Available
Somers Pt Shopping Center Complex	130	7		130	7	Not Available
Crab Trap Restaurant	110	8		110	8	Not Available
Charter Tech School	60	9		-	-	Not Available
Ocean Point Nursing Home				160	3	Not Available
Greate Bay County Club				85	9	Not Available
Totals	2,737			2,527		Not Available

Source:
 Official Statements - City of Somers Point - Various Bond Issues

CITY OF SOMERS POINT SCHOOL DISTRICT
 Full-Time Equivalent District Employees by Function/Program,
 Last Ten Fiscal Years

Exhibit J-16

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction:										
Regular instruction	77	85	88	86	86	86	86	93	95	89
Special education instruction	22	11	11	12	12	16	19	20	18	18
Support Services:										
Student & instruction related services	17	18	17	23	23	23	23	27	31	31
General administrative services	3	3	3	2	2	2	3	3	3	2
School administrative services	7	7	7	5	5	5	4	4	4	5
Business administrative services	4	4	4	4	3	3	3	3	3	4
Plant operations and maintenance	15	15	15	14	14	14	13	13	13	13
Pupil transportation	2	2	1	1	1	1	1			
Total	147	145	146	147	146	150	152	163	167	162

Source: District Personnel Records

CITY OF SOMERS POINT SCHOOL DISTRICT
 Operating Statistics,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2002	1,272	\$ 11,404,456	\$ 8,966	-2.46%	95	1:20	1:15	N/A	1,266	1,196	5.76%	94.47%
2003	1,297	12,168,869	9,382	4.65%	94	1:20	1:16	N/A	1,287	1,206	1.66%	93.71%
2004	1,263	12,971,813	10,271	9.47%	97	1:19	1:15	N/A	1,248	1,169	-3.03%	93.67%
2005	1,216	13,272,320	10,915	6.27%	95	1:20	1:15	N/A	1,115	1,040	-10.66%	93.27%
2006	1,171	13,759,025	11,750	7.65%	95	1:20	1:15	N/A	1,162	1,096	4.22%	94.32%
2007	1,143	14,303,148	12,514	6.50%	96	1:20	1:15	N/A	1,122	1,058	-3.42%	94.28%
2008	1,151	14,954,998	12,993	3.83%	97	1:19	1:15	N/A	1,116	1,054	-0.56%	94.44%
2009	1,204	14,960,623	12,426	-4.37%	110	1:19	1:19	N/A	1,133	1,073	1.52%	94.70%
2010	1,092	16,188,001	14,824	19.30%	113	1:19	1:19	N/A	1,093	1,026	-3.53%	93.87%
2011	1,065	16,305,785	15,311	3.28%	107	1:19	1:20	N/A	1,053	994	-3.66%	94.40%

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

CITY OF SOMERS POINT SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>District Buildings</u>										
<u>Elementary</u>										
Poplar Avenue School										
Square Feet										
Capacity (students)										
Enrollment										
New York Avenue School										
Square Feet										
Capacity (students)										
Enrollment										
Dawes Avenue School										
Square Feet										
Capacity (students)										
Enrollment										
<u>Elementary/Middle School</u>										
Jordan Road School										
Square Feet										
Capacity (students)										
Enrollment										

Number of Schools at June 30, 2011
Elementary - 2
Middle - 1

Source: District Records, ASSA, SRS, LRFPP

CITY OF SOMERS POINT SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
New York Avenue School	N/A	\$ 8,183	\$ 8,247	\$ 6,658	\$ 5,289	\$ 32,786	\$ 31,494	\$ 30,879	\$ 27,140	\$ 52,625	\$ 35,507
Dawes Avenue School	N/A	52,813	53,608	43,279	69,422	52,035	65,238	77,745	66,007	55,393	55,174
Jordan Road School	N/A	73,964	75,601	61,034	122,101	100,165	128,226	95,710	77,382	56,807	50,792
Total School Facilities		134,960	137,456	110,972	196,811	184,985	224,958	204,134	170,530	164,825	141,473
Other Facilities											
Grand Total		\$ 134,960	\$ 137,456	\$ 110,972	\$ 196,811	\$ 184,985	\$ 224,958	\$ 204,134	\$ 170,530	\$ 164,825	\$ 141,473

Source: District Records

CITY OF SOMERS POINT SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Exhibit J-20

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Deductible</u>
ACCASBOJIF	School Package Policy - ACCASBOJIF:		
	Property, Inland Marine and Auto and Physical Damages	\$ 250,000	\$ 500
	Boiler and Machinery	125,000,000	1,000
	Crime	500,000	500
	General and Automobile Liability	10,000,000	None
	Employee Benefits Liability	10,000,000	None
	Workers' Compensation	Statutory	None
	Educator's Legal Liability	10,100,000	None
	Pollution Legal Liability	3,000,000	25,000
	Employer's Liability and Occupational Disease	10,000,000	None
	Reinsurance Excess Aggregate Protection	16,666,117	None
	Commercial Umbrella Liability Insurance	50,000,000	
	Selective Insurance Company	Board Secretary	40,000
Treasurer of School Monies		196,000	

Source: District Records

Single Audit Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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K-1 REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President and
Members of Board of Education
Somers Point School District
County of Atlantic
Somers Point, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Somers Point Board of Education School District in the County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated October 21, 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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

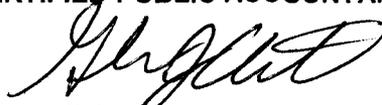
Compliance and Other Matters

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

We noted certain matters that we reported to the Board of Education of the Somers Point Board of Education in a separate report entitled, *Auditor's Management Report on Administrative Findings – Financial Compliance and Performance* dated October 21, 2011.

This report is intended for the information of the management of the Somers Point Board of Education, the New Jersey State Department of Education (the cognizant audit agency), other state and federal awarding agencies and pass-through entities, and is not intended and should not be used by anyone other than these parties.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS



Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

October 21, 2011



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2 REPORT ON COMPLIANCE WITH REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

The Honorable President and
Members of Board of Education
City of Somers Point School District
County of Atlantic,
Somers Point, New Jersey

Compliance

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

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

In our opinion Somers Point Board of Education School District, in the County of Atlantic, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2011.

Internal Control Over Compliance

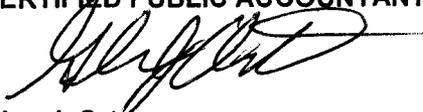
The management of Somers Point Board of Education School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Somers Point Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Somers Point Board of Education's internal control over compliance.

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

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

This report is intended for the information of the management of the Somers Point Board of Education, the New Jersey State Department of Education (cognizant audit agency), other state and federal awarding agencies and pass-through entities and is not intended and should not be used by anyone other than these parties.

Ford, Scott & Associates, L.L.C.
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CERTIFIED PUBLIC ACCOUNTANTS



Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

October 21, 2011

SOMERS POINT SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
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 From To	Balance at June 30, 2010	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Balance June 30, 2011 Deferred Revenue	Due to Grantor
U.S. Department of Education													
Passed-Through State Department of Education:													
General Fund:													
Medical Assistance Program (Medicaid)	93.778	N/A	\$ 58,118.67	07/01/10 06/30/11	\$		\$ 36,480.39	\$ (58,118.67)	\$	\$	\$ (21,638.28)	\$	
Medical Assistance Program (Medicaid)	93.778	N/A	48,744.25	07/01/09 06/30/10	(30,527.26)		30,527.26						
Total General Fund					(30,527.26)		67,007.65	(58,118.67)			(21,638.28)		
Special Revenue Fund:													
Title I Cluster:													
Title I Grant	84.010	NCLB 480009	348,257.00	09/01/08 08/31/09	(11,026.10)	11,026.00			0.10				
Title I Grant Carryover	84.010	NCLB 480009	348,257.00	09/01/08 08/31/09	10,416.56			(10,416.56)					
Title I Grant	84.010	NCLB 480010	423,676.00	09/01/09 08/31/10	(159,864.30)	(20,146.40)	187,278.00	(7,247.30)					
Title I Grant	84.010	NCLB 480011	431,098.00	09/01/10 08/31/11		9,120.40	227,868.00	(415,398.46)			(194,110.00)	15,699.94	
ARRA Title I Basic	84.389	NCLB 480010	202,451.00	09/01/09 08/31/11	(2,707.49)		119,056.00	(125,983.01)			(9,634.50)		
								(559,045.33)					
Total Title I Cluster													
School Improvement Cluster:													
Title I SIA Grant Carryover	84.377	NCLB 480010	25,032.00	09/01/09 08/31/10	(19,171.82)		25,032.00	(5,860.18)					
ARRA Title I SIA	84.378	NCLB 480010	16,382.00	09/01/09 08/31/11	(10,629.00)		10,629.00						
Total School Improvement Cluster								(5,860.18)					
Special Education Cluster:													
ARRA I.D.E.A. Part B, Basic Regular	84.391	FT480010	378,651.00	09/01/09 08/31/11			151,306.00	(152,546.00)		(590.00)	(1,240.00)		
I.D.E.A. Part B, Basic Regular	84.027	FT480009	343,265.00	09/01/08 08/31/09	590.00								
I.D.E.A. Part B, Basic Regular	84.027	FT 480010	324,663.00	09/01/09 08/31/10	(89,897.04)		90,801.00	(903.36)					
ARRA I.D.E.A. Part B, Basic Regular	84.392	FT 480011	322,119.00	09/01/10 08/31/11	(12,931.05)		288,599.00	(322,119.00)			(33,520.00)		
I.D.E.A. Part B, Preschool	84.173	FT480009	13,644.00	09/01/08 08/31/11	335.00		6,442.00	(49.95)			(6,539.00)		
I.D.E.A. Part B, Preschool	84.173	FT 480010	10,430.00	09/01/09 08/31/10	(2,861.17)		2,905.00	(43.83)	(335.00)				
I.D.E.A. Part B, Preschool	84.173	FT 480011	10,900.00	08/01/10 08/31/11			5,841.00	(10,900.00)			(5,059.00)		
								(496,562.74)					
Total Special Education Cluster													
Title IIA Improving Teacher Quality	84.367A	NCLB 480009	72,902.00	09/01/10 08/31/11			54,922.00	(72,904.71)	(0.04)		(17,928.00)	716.05	
Title IIA Improving Teacher Quality	84.367A	NCLB 480010	72,612.00	09/01/09 08/31/10	(21,495.67)	(767.80)	25,560.00	(3,296.53)					
Title IID Enhancing Education through Technology	84.318X	NCLB 480011	1,187.00	09/01/10 08/31/11	(1,612.00)		879.00	(1,187.00)			(306.00)		
Title IID Enhancing Education through Technology	84.318X	NCLB 480010	4,200.00	08/01/09 08/31/10	(2,281.00)		1,742.00	(130.00)					
Title IV Safe and Drug Free Schools	84.186A	NCLB 480010	7,068.00	08/01/09 08/31/10	(2,281.00)		2,373.00	(92.00)					
ARRA - TALENT 21	84.386A	10-100-034-5060-105-H300	625,000.00	04/01/10 09/15/11	(291,967.61)		557,811.00	(308,263.08)			(64,341.64)	21,921.95	
Total Special Revenue Fund					(615,122.69)	(0.00)	1,759,044.00	(1,437,338.57)	(334.94)	(590.00)	(332,660.14)	38,337.94	
Total Federal Financial Awards					(645,649.95)	(0.00)	1,825,051.65	(1,495,457.24)	(334.94)	(590.00)	(354,318.42)	38,337.94	

SOMERS POINT SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2011

State Grants/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2010		Due to Grantor	Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2011		MEMO	
			From	To	Deferred Revenue (Accts Receivable)	(Accounts Receivable)						Deferred Revenue / Interfund Payable	Due to Grantor		Budgetary Receivable
State Department of Education															
General Fund:															
Equalization Aid	11-495-034-5120-078	\$ 4,479,633.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	\$ -	\$ 4,479,633.00	(4,479,633.00)	(10,229.68)	\$ -	\$ -	(410,627.50)	4,479,633.00
Special Educational Categorical Aid	11-495-034-5120-089	521,597.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	\$ 521,597.00	(521,597.00)	(19,331.00)	(5,714.49)	(19,331.00)	\$ -	(52,159.70)	19,331.00
Extracurricular Aid	11-495-034-5120-073	18,313.00	07/01/10	06/30/11	(18,313.00)	\$ -	3,714.49	18,313.00	(18,313.00)						18,313.00
Additional Non Public Transportation Aid	10-495-034-5120-014	1,128.00	07/01/09	06/30/10	(1,128.00)	\$ -	\$ -	1,128.00							1,128.00
Additional Non Public Transportation Aid	11-495-034-5120-014	1,392.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	1,392.00	(1,392.00)						1,392.00
On-behalf TPAC Post Retirement Contributions	11-495-034-5095-001	483,546.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	483,546.00	(483,546.00)						483,546.00
Remainder TPAC Social Security Contributions	11-495-034-5095-002	543,868.92	07/01/10	06/30/11	(19,441.00)	\$ -	\$ -	543,868.92	(543,868.92)	(20,723.00)	(0.50)	(20,723.00)	\$ -	(482,757.20)	543,868.92
Total General Fund								6,048,065.92	(6,048,367.92)					(482,757.20)	6,058,008.92
Special Revenue Fund:															
Preschool Education Aid	11-495-034-5120-086	281,718.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	281,718.00	(281,718.00)		(28,171.80)	(28,171.80)	\$ -		281,718.00
N.J. Nonpublic Aid	11-100-034-5120-070	31,116.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	31,116.00	(31,116.00)		(5,714.49)	(5,714.49)	\$ -		31,116.00
Tuition Aid	10-100-034-5120-070	30,597.00	07/01/08	06/30/10	\$ -	\$ -	\$ -	30,597.00							30,597.00
Textbook Aid	11-100-034-5120-064	26,260.00	07/01/08	06/30/11	\$ -	\$ -	\$ -	26,260.00	(26,260.00)						26,260.00
Auxiliary Services:															
Compensatory Education	10-100-034-5120-067	151,632.00	07/01/09	06/30/10	\$ -	\$ -	\$ -	151,632.00			(10,229.68)	(10,229.68)	\$ -		141,402.32
Home Instruction	11-100-034-5120-067	121,404.00	07/01/10	06/30/11	(845.50)	\$ -	\$ -	121,404.00	(121,404.00)		(0.50)	(0.50)	\$ -		121,404.00
Handicapped Services:		845.50	07/01/09	06/30/10	\$ -	\$ -	\$ -	845.50							845.50
Supplemental Instruction	10-100-034-5120-066	12,743.00	07/01/09	06/30/10	\$ -	\$ -	\$ -	12,743.00			(5,309.00)	(5,309.00)	\$ -		7,434.00
Supplemental Instruction	11-100-034-5120-066	9,728.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	9,728.00	(4,896.00)		(1,370.00)	(1,370.00)	\$ -		4,860.00
Examination & Classification	10-100-034-5120-068	9,145.00	07/01/09	06/30/10	\$ -	\$ -	\$ -	9,145.00							9,145.00
Examination & Classification	11-100-034-5120-068	16,903.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	16,903.00	(2,852.00)						14,051.00
Concise Speech	10-100-034-5120-068	36,879.00	07/01/09	06/30/10	\$ -	\$ -	\$ -	36,879.00	(14,890.00)		(4,329.32)	(4,329.32)	\$ -		21,689.00
Concise Speech	10-100-034-5120-066	49,319.00	07/01/09	06/30/10	\$ -	\$ -	\$ -	49,319.00							49,319.00
Total Special Revenue Fund								520,832.00	(483,016.00)					(28,171.80)	687,355.33
Capital Projects Fund															
SDA Grant	4800-055-10-1001	99,968.00	Open	Open	\$ -	\$ -	\$ -		(11,906.09)						99,968.00
SDA Grant	4800-055-10-1002	259,877.00	Open	Open	\$ -	\$ -	\$ -		(22,574.80)						259,877.00
SDA Grant	4800-055-10-1003	798,182.00	Open	Open	\$ -	\$ -	\$ -		(73,774.16)						798,182.00
SDA Grant	4800-055-10-1004	359,278.00	Open	Open	\$ -	\$ -	\$ -		(32,298.82)						359,278.00
SDA Grant	4800-055-10-1005	34,314.00	Open	Open	\$ -	\$ -	\$ -		(15,733.13)						34,314.00
SDA Grant	4800-055-10-1006	45,415.00	Open	Open	\$ -	\$ -	\$ -		(2,595.15)						45,415.00
SDA Grant	4800-055-10-1007	43,902.00	Open	Open	\$ -	\$ -	\$ -		(5,716.05)						43,902.00
SDA Grant	4800-055-10-1008	7,569.00	Open	Open	\$ -	\$ -	\$ -		(445.29)						7,569.00
SDA Grant	4800-055-10-1009	10,092.00	Open	Open	\$ -	\$ -	\$ -		(595.48)						10,092.00
SDA Grant	4800-055-10-1010	112,085.00	Open	Open	\$ -	\$ -	\$ -		(9,219.69)						112,085.00
SDA Grant	4800-055-10-1011	35,323.00	Open	Open	\$ -	\$ -	\$ -		(2,042.58)						35,323.00
SDA Grant	4800-055-10-1012	16,875.00	Open	Open	\$ -	\$ -	\$ -		(1,158.44)						16,875.00
SDA Grant	4800-055-10-1013	39,810.00	Open	Open	\$ -	\$ -	\$ -		(1,904.83)						39,810.00
SDA Grant	4800-055-10-1014	116,082.00	Open	Open	\$ -	\$ -	\$ -		(6,671.55)						116,082.00
SDA Grant	4800-055-10-1015	15,138.00	Open	Open	\$ -	\$ -	\$ -		(7,071.52)						15,138.00
SDA Grant	4800-055-10-1016	121,108.00	Open	Open	\$ -	\$ -	\$ -		(7,101.69)						121,108.00
SDA Grant	4800-055-10-1017	25,130.00	Open	Open	\$ -	\$ -	\$ -		(1,885.65)						25,130.00
SDA Grant	4800-055-10-1018	8,436.00	Open	Open	\$ -	\$ -	\$ -		(759.37)						8,436.00
SDA Grant	4800-055-10-1019	1,978.00	Open	Open	\$ -	\$ -	\$ -		(155.86)						1,978.00
SDA Grant	4800-055-10-1020	1,978.00	Open	Open	\$ -	\$ -	\$ -		(206,895.63)						1,978.00
Total Capital Projects Fund									(206,895.63)						(206,895.63)
Debt Service Fund:															
Debt Service Aid	10-495-034-5120-017	192,543.00	07/01/10	06/30/11	\$ -	\$ -	\$ -	192,543.00	(192,543.00)						192,543.00
Total Debt Service Fund								192,543.00	(192,543.00)						192,543.00
Total State Financial Assistance								6,761,460.92	(6,931,812.55)					(480,929.00)	6,928,707.25

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

SOMERS POINT SCHOOL DISTRICT
K-5 Notes to the Schedules of
Expenditures of Awards and Financial Assistance
June 30, 2011

Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state award programs of the Board of Education, City of Somers Point School District. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting. This basis of accounting is described in Notes 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 3: Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payments in the current budget year, which is mandated pursuant to P.L. 2003, c.97, (A3521). For GAAP purposes the payments are not recognized until the subsequent budget year due to the state deferral and recording of the last 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 last state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$76,633.90 for the General Fund and \$26,558.62 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis follow below:

	<u>Federal</u>	<u>State</u>	<u>TPAF Pension</u>	<u>Total</u>
General Fund	\$ 58,118.67	\$ 6,126,001.82	\$ (483,546.00)	\$ 5,700,574.49
Special Revenue Fund	1,465,424.09	481,489.10		1,946,913.19
Capital Projects Fund		206,885.62		206,885.62
Debt Service Fund		192,543.00		192,543.00
Total Financial Assistance	<u>\$ 1,523,542.76</u>	<u>\$ 7,006,919.54</u>	<u>\$ (483,546.00)</u>	<u>\$ 8,046,916.30</u>

SOMERS POINT SCHOOL DISTRICT
K-5 Notes to the Schedules of
Expenditures of Awards and Financial Assistance
June 30, 2011
(Continued)

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

The amounts reported as TPAF Pension Contributions represents the amount paid on behalf of the District for the year ended June 30, 2011. 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.

**SOMERS POINT SCHOOL DISTRICT
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified Opinion issued on the Basic Financial Statements, dated October 21, 2011

Internal control over financial reporting:

- 1) Material weakness identified? No
- 2) Significant deficiencies? None reported

Noncompliance material to basic financial statements noted? No

Federal Awards

Internal control over major programs:

- 1) Material weakness identified? No
- 2) Significant deficiencies? None reported

Type of auditor's report issued on compliance for major programs: An Unqualified Opinion was issued on compliance for major programs, dated October 21, 2011

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027	Special Education Cluster
84.173	IDEA Basic Part A
84.391	IDEA Preschool
84.392	ARRA IDEA Basic
	ARRA IDEA Preschool
	Title I Cluster
84.010	Title I
84.389	ARRA Title I
84.386A	ARRA Talent 21

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

Auditee qualified as low-risk auditee? Yes

**SOMERS POINT SCHOOL DISTRICT
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

I. SUMMARY OF AUDITOR'S RESULTS (Continued)

State Awards

Dollar threshold used to distinguish between type A and type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	An Unqualified Opinion was issued on compliance for major programs, dated October 21, 2011
Internal control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies?	None reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04?	Yes

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
11-495-034-5120-078	State Aid - Public
11-495-034-5120-089	Equalization Aid
11-495-034-5120-084	Special Education Categorical Aid
11-495-034-5095-002	Security Aid
	Reimbursed TPAF Social Security

**SOMERS POINT SCHOOL DISTRICT
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

II. FINANCIAL STATEMENT FINDINGS

Our audit disclosed no findings required to be reported under *Government Auditing Standards*.

III. FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

Federal:

Our audit disclosed no material Findings or Questioned Costs.

State:

Our audit disclosed no material Findings or Questioned Costs.

**SOMERS POINT SCHOOL DISTRICT
K-7 SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

STATUS OF PRIOR YEAR FINDINGS

Finding 10-01:

State Program Information

Equalization Aid; GMIS No. 495-034-5120-078; Special Education Categorical Aid; GMIS No. 495-034-5120-089; Categorical Security Aid; GMIS No. 495-034-5120-084; State Department of Education.

Criteria

The District is not permitted to incur expenditures in excess of the amounts appropriated.

Condition

A budget line item was identified as over-expended.

Questioned Costs

A budget line was over-expended by \$3,072.00.

Context

A budget line item was identified as over-expended.

Cause

An expenditure was not recorded in the proper period and when posted as an audit adjustment the line item was over-expended.

Effect

Noncompliance with state requirements.

Recommendation

Approved budgetary line accounts should not be over-expended; budget transfers should be made to ensure that there are no over-expenditures.

Current Status

This finding has been corrected.