SCHOOL DISTRICT
OF
BOROUGH OF WENONAH

Borough of Wenonah Board of Education
Wenonah, New Jersey

Auditor's Management Report On Administrative Findings - Financial, Compliance, and Performance
For the Fiscal Year Ended June 30, 2011

TABLE OF CONTENTS

	Page No.
Report of Independent Auditors	1
Scope of Audit	2
Administrative Practices and Procedures:	
Insurance	2
Official's Bonds	2
Financial Planning, Accounting, and Reporting:	
Examination of Claims	2
Payroll Account	2
Reserve for Encumbrances and Accounts Payable	3
Travel	3
Classification of Expenditures	3
General Classifications	3
Administrative Classifications	3
Board Secretary's Records	3-4
Treasurer's Records	4
Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized By the No Child Left Behind Act of 2001	4
Other Special Federal and/or State Projects	4
T.P.A.F. Reimbursement	4
I.D.E.A. Part B	5
School Purchasing Programs:	
Contracts and Agreements Requiring Advertisement for Bids	5
Student Body Activities	5
Application for State School Aid	5
Pupil Transportation	6
Follow-Up On Prior Year Audit Findings	6
Acknowledgment	6
Application for State School Aid Summary	7
Excess Surplus Calculation	8-9

Tax I.D. Number: 21-6000335

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CERTIFIED PUBLIC ACCOUNTANTS

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Borough of Wenonah School District
County of Gloucester
Wenonah, New Jersey

We have audited, in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Borough of Wenonah School District in the County of Gloucester for the year ended June 30, 2011, and have issued our report thereon dated November 1, 2011.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Borough of Wenonah Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

William H. Buckley, III
Licensed Public School Accountant #86
BALL, BUCKLEY AND SEHER, LLP

November 1, 2011

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ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE, AND PERFORMANCE

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Moneys, the activities of the Board of Education, and the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's C.A.F.R.

Official's Bonds (N.J.S.A. 18A:17-26, 18A:17-32)

Name	Position	Amount
Kathy A. Mastran	School Business Administrator/ Board Secretary	$ 10,000.00
Charles J. Owens	Treasurer of School Monies	$ 130,000.00

Financial Planning, Accounting, and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification, or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

Finding:

All payrolls for the year under audit were not approved by the Chief School Administrator and were not certified by the President of the Board and the Board Secretary/Business Administrator.

Recommendation:

To ensure proper authorization, all payrolls should be approved by the Chief School Administrator and certified by the President of the Board and the Board Secretary/Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to this order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the New Jersey Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes complied with federal and state regulations regarding the compensation which is required to be reported.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable.

District personnel did perform an analysis of outstanding purchase orders at June 30 and prepare the separate listings of purchase orders comprising the balance sheet account balances for accounts payable and reserve for encumbrances.

Payments were made with proper authorization for amounts which exceeded the original approved purchase order amounts.

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Payment for travel by an employee was approved before completion of the travel event and was not ratified after completion of the travel event.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0.00% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

> General Classification - Our test of transactions noted that there were no misclassified or misbudgeted costs.
>
> Administrative Classification - Our test of administrative staff salaries found that salaries were properly charged to the administrative function budget line items.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

Acknowledgement of the Board's receipt of the Board Secretary's and the Treasurer's monthly financial reports was included in the minutes.

Budget appropriations were not greater than realized revenues and Board authorization use of surplus.

No budgetary line accounts were overexpended at June 30.

The Board Secretary filed monthly certifications of the budgetary line items status which are consistent with the actual budgetary records.

Payments to vendors were not made prior to the receipt of goods.

The capital asset records were updated for the additions and disposals of capital assets made during the year.

The District exercised its waiver under the Special Education Medicaid Initiative (SEMI) Program.

The District made board approved line-item transfers during the year and maintained a monthly transfer report and year-to-date transfers in a format prescribed by the Commissioner.

The District did not have E-Rate during the audit year.

Treasurer's Records

The following items were noted during our review of the records of the Treasurer.

The Treasurer's records were maintained by an employee of the board appointed to the position of Treasurer of School Moneys.

The Treasurer performed cash reconciliations for the General Operating Account, Payroll Account, and Payroll Agency Account (N.J.S.A. 18A:17-9).

All cash receipts were promptly deposited (N.J.S.A. 18A:17-34, 18A:17-9.1).

The Treasurer's records were in agreement with the records of the Board Secretary.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the C.A.F.R. This section of the C.A.F.R. documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

A study of compliance for E.S.E.A. indicated no areas of noncompliance and/or questionable costs.

Salary charges were documented each pay period and allocated salary charges for teaching staff members was supported by employee time sheets.

Due to grantor balances were returned or disposed of in accordance with the grant agreement.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedule A and Schedule B located in the C.A.F.R.

Our audit of the federal and state funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the C.A.F.R. This section of the C.A.F.R. documents the financial position pertaining to the aforementioned special projects.

The study of compliance for the special projects indicated no areas of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements (electronic, but districts can print out the DOENET screen for an auditor) filed with the Department of Education for district employees who are members of the Teacher's Pension and Annuity Fund. No exceptions were noted.

I.D.E.A. Part B

Separate accounting was maintained for each approval project.

Grant application approvals and acceptance of grant funds were made by Board resolution and recorded in the minutes.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2010 and thereafter, the bid threshold in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are $36,000.00 and $26,000.00, respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently $17,200.00.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory threshold within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Based on the results of our examination, we did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, amended.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

Student Body Activities

During our review of the student activity funds, the following items were noted.

The Board had a policy that clearly established the regulation of student activity funds.

Cash receipts and disbursements were properly recorded and had adequate supporting documentation.

Receipts were deposited on a timely basis.

Application for State School Aid

Our audit procedures included tests of information reported in the October 15, 2010 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income, and bilingual. We also performed a review of the District's procedures related to its completion. The information on the A.S.S.A. was compared to the District's workpapers without exception. The information that was included on the workpapers was verified without exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District written procedures appear to be adequate for the recording of student enrollment data.

SCHEDULE OF AUDITED ENROLLMENTS

BOROUGH OF WENONAH BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
Enrollment As Of October 15, 2010

	2011-12 Application For State School Aid						Sample For Verification						Private Schools for Disabled				Resident Low Income			Sample For Verification			Resident LEP Low Income			Sample For Verification			Resident LEP NOT Low Income			Sample For Verification		
	Reported On A.S.S.A. On Roll		Reported On Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified Per Registers On Roll		Errors Per Registers On Roll		Reported On A.S.S.A. As Private Schools	Sample For Verification	Sample Verified	Sample Errors	Reported On A.S.S.A. As Low Income	Reported On Workpapers As Low Income	Errors	Sample Selected From Workpapers	Verified To Application And Register	Sample Errors	Reported On A.S.S.A. As LEP Low Income	Reported On Workpapers As LEP Low Income	Errors	Sample Selected From Workpapers	Verified To Test Score And Register	Sample Errors	Reported On A.S.S.A. As NOT Low Income	Reported On Workpapers As NOT Low Income	Errors	Sample Selected From Workpapers	Verified To Application And Register	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared																					
Full-day kindergarten	29.0	-	29.0	-	-	-	15.0	-	15.0	-	-	-	1.0	1.0	1.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	27.0	-	27.0	-	-	-	14.0	-	14.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	33.0	-	33.0	-	-	-	16.0	-	16.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	39.0	-	39.0	-	-	-	20.0	-	20.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	38.0	-	38.0	-	-	-	18.0	-	18.0	-	-	-	-	-	-	-	1.0	1.0	-	1.0	1.0	-	-	-	-	-	-	-	-	-	-	-	-
Five	29.0	-	29.0	-	-	-	15.0	-	15.0	-	-	-	-	-	-	-	1.0	1.0	-	1.0	1.0	-	-	-	-	-	-	-	-	-	-	-	-
Six	30.0	-	30.0	-	-	-	15.0	-	15.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	225.0	-	225.0	-	-	-	113.0	-	113.0	-	-	-	1.0	1.0	1.0	-	2.0	2.0	-	2.0	2.0	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Elementary	23.0	-	23.0	-	-	-	13.0	-	13.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Middle School	5.0	-	5.0	-	-	-	5.0	-	5.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	28.0	-	28.0	-	-	-	18.0	-	18.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	253.0	-	253.0	-	-	-	131.0	-	131.0	-	-	-	1.0	1.0	1.0	-	2.0	2.0	-	2.0	2.0	-	-	-	-	-	-	-	-	-	-	-	-
Percentage error					0%	0%					0%	0%				0%			0%			0%			0%			0%			0%			0%

	Transportation					
	Reported On DRTRS By DOE	Reported On DRTRS By District	Errors	Tested	Verified	Errors
Regular - public schools	-	-	-	-	-	-
Regular - special ed	-	-	-	-	-	-
Aid in lieu - nonpublic	13.0	13.0	-	10.0	10.0	-
Transported - nonpublic	-	-	-	-	-	-
Special ed spec	2.0	2.0	-	2.0	2.0	-
Totals	15.0	15.0	-	12.0	12.0	-
Percentage error						0.00%

	Reported	Re-Calculated
Average mileage - regular including grade PK students	3.5	3.5
Average mileage - regular excluding grade PK students	3.6	3.6
Average mileage - special ed with special needs	3.6	3.6

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2010-11 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Follow-Up On Prior Years' Findings

In accordance with governing auditing standards, our procedures included a review of all prior years' recommendations. Corrective action has been taken on the prior year audit findings.

Acknowledgement

We received the complete cooperation of all the officials of the School District, and we greatly appreciate the courtesies extended to the members of the audit team.

EXCESS SURPLUS CALCULATION

BOROUGH OF WENONAH BOARD OF EDUCATION
For the Fiscal Year Ended June 30, 2011

Section 1

A. 2% Calculation of excess surplus

2010-11 Total general fund expenditures per the C.A.F.R., Exhibit C-1	$ 2,890,845.11	(B)		
Increased by:				
Transfer to food service fund	0.00	(B1a)		
Transfer from capital outlay to capital projects fund	0.00	(B1b)		
Transfer from capital reserve to capital projects fund	0.00	(B1c)		
Decreased by:				
On-behalf TPAF pension and social security	(201,349.51)	(B2a)		
Assets acquired under capital leases	0.00	(B2b)		
Adjusted 2010-11 general fund expenditures [(B) + (B1's) - (B2's)]	$ 2,689,495.60	(B3)		
2% of adjusted 2010-11 general fund expenditures [(B3) times .02]	$ 53,789.91	(B4)		
Enter greater of (B4) or $250,000.00	$ 250,000.00	(B5)		
Increased by: allowable adjustment*	2,262.00	(K)		
Maximum unreserved/undesignated fund balance [(B5) + (K)]			$ 252,262.00	(M)

Section 2

Total general fund - fund balances at 6-30-11 (per C.A.F.R. budgetary comparison schedule C-1)	$ 122,554.16	(C)		
Decreased by:				
Year-end encumbrances	0.00	(C1)		
Legally restricted - designated for subsequent year's expenditures	0.00	(C2)		
Legally restricted - excess surplus - designated for subsequent year's expenditures**	0.00	(C3)		
Other restricted fund balances****	17.62	(C4)		
Assigned fund balance - unreserved - designated for subsequent year's expenditures	0.00	(C5)		
Total unassigned fund balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]			$ 122,536.54	(U1)

Section 3

Restricted fund balance - excess surplus*** [(U1) - (M)] if negative enter -0-			$ 0.00	(E)

Recapitulation of excess surplus as of June 30, 2011

Reserved excess surplus - designated for subsequent year's expenditures**			$ 0.00	(C3)
Reserved excess surplus*** [(E)]			0.00	(E)
Total [(C3) + (E)]			$ 0.00	(D)

*This adjustment line (as detailed below) is to be utilized for impact aid (when applicable), sale and lease-back (refer to the Audit Program Section II, Chapter 10), extraordinary aid, additional nonpublic school transportation aid and unbudgeted TPAF wage freeze grant funding. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of extraordinary aid and additional nonpublic school transportation aid).

Detail of allowable adjustments

Impact aid	$	0.00	(H)
Sale and lease-back		0.00	(I)
Extraordinary aid		0.00	(J1)
Additional nonpublic school transportation aid		2,262.00	(J2)
Unbudgeted TPAF wage freeze grant funding		0.00	(J3)
Total adjustments [(H) + (I) + (J1) + (J2) + (J3)]	$	2,262.00	(K)

**This amount represents the June 30, 2010 excess surplus (C3 above) and must be included in the Audit Summary Worksheet, Line 10025.

***Amount must agree to the June 30, 2011 C.A.F.R. and the sum of the two lines must agree to Audit Summary Worksheet, Line 10024.

****Amount for other reserved fund balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by an other type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of other reserved fund balance

Statutory restrictions:			
Approved unspent separate proposal	$	0.00	
Capital outlay for a district with a capital outlay cap waiver		0.00	
Sale/lease-back reserve		0.00	
Capital reserve		17.62	
Maintenance reserve		0.00	
Emergency reserve		0.00	
Waiver offset reserve		0.00	
Tuition reserve		0.00	
Other state/government mandated reserve		0.00	
[Other restricted fund balance not noted above]****		0.00	
Total other restricted fund balance	$	17.62	(C4)

William H. Buckley, III
Licensed Public School Accountant #86
BALL, BUCKLEY AND SEHER, LLP

SCHOOL DISTRICT
OF
BOROUGH OF WENONAH

Borough of Wenonah Board of Education
Wenonah, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

TABLE OF CONTENTS

	Page No.
INTRODUCTORY SECTION	
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION	
Unqualified Opinions on Basic Financial Statements Accompanied by Required Supplementary Information and Supplementary Schedule of Federal and State Awards and Other Supplementary Information - Governmental Entity - Independent Auditor's Report	8-9
Required Supplementary Information - Part I	
Management's Discussion and Analysis	10-18
Basic Financial Statements	
A. District-Wide Financial Statements	
A-1 Statement of Net Assets	19
A-2 Statement of Activities	20
B. Fund Financial Statements	
Governmental Funds	
B-1 Balance Sheet	21
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	22
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Proprietary Funds	
B-4 Statement of Net Assets	N/A
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Assets	N/A
B-6 Statement of Cash Flows	N/A
Fiduciary Funds	
B-7 Statement of Fiduciary Net Assets	24
B-8 Statement of Changes in Fiduciary Net Assets	25
Notes to the Financial Statements	26-43
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	44-55
C-1a Combining Budgetary Comparison Schedule - General Fund	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	56
Notes to Required Supplementary Information	
C-3 Budget to GAAP Reconciliation	57

Page No.

FINANCIAL SECTION (Continued)

Other Supplementary Information

D. School Level Schedules

D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A

E. Special Revenue Fund

E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund - Budgetary Basis	58
E-2	Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-3	Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-4	Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis	N/A
E-5	Instructional Supplement Aid Schedule of Expenditures - Budgetary Basis	N/A

F. Capital Projects Fund

F-1	Summary Schedule of Project Expenditures	59
F-2	Summary Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budgetary Basis	60
F-2a	Schedule of Project Revenues, Expenditures, Project Balance, And Project Status - Budgetary Basis - Various Infrastructure Improvements to Wenonah Elementary School	61

G. Proprietary Funds

Project Safekeep Enterprise Fund

G-1	Statement of Net Assets	N/A
G-2	Statement of Revenues, Expenses, and Changes in Fund Net Assets	N/A
G-3	Statement of Cash Flows	N/A

Internal Service Fund

G-4	Combining Statement of Net Assets	N/A
G-5	Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	N/A
G-6	Combining Statement of Cash Flows	N/A

H. Fiduciary Fund

H-1	Combining Statement of Fiduciary Net Assets	62
H-2	Combining Statement of Changes in Fiduciary Net Assets	63
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	64
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	65

Page No.

FINANCIAL SECTION (Concluded)

I. Long-Term Debt

I-1	Statement of Serial Bonds	66
I-2	Schedule of Obligations Under Capital Leases	67
I-3	Debt Service Fund Budgetary Comparison Schedule	68

STATISTICAL SECTION

Financial Trends

J-1	Net Assets By Component	69
J-2	Changes In Net Assets	70-71
J-3	Fund Balances - Governmental Funds	72
J-4	Changes In Fund Balances - Governmental Funds	73
J-5	General Fund Other Local Revenue By Source	74

Revenue Capacity

J-6	Assessed Value and Actual Value of Taxable Property	75
J-7	Direct and Overlapping Property Tax Rates	76
J-8	Principal Property Taxpayers	77
J-9	Property Tax Levies and Collections	78

Debt Capacity

J-10	Ratios of Outstanding Debt By Type	79
J-11	Ratios of Net General Bonded Debt Outstanding	80
J-12	Direct and Overlapping Governmental Activities Debt	81
J-13	Legal Debt Margin Information	82

Demographic and Economic Information

J-14	Demographic and Economic Statistics	83
J-15	Principal Employers - Salem County	84

Operating Information

J-16	Full-Time Equivalent District Employees by Function/Program	85
J-17	Operating Statistics	86
J-18	School Building Information	87
J-19	Schedule of Allowable Maintenance Expenditures by School Facility	88
J-20	Insurance Schedule	89

	Page No.
SINGLE AUDIT SECTION	
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 (No Material Weaknesses Identified, No Significant Deficiencies Identified, No Reportable Instances of Noncompliance or Other Matters Identified)	90-91
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04 (Unqualified Opinion on Compliance; No Material Weaknesses Or Significant Deficiencies in Internal Control over Compliance Identified)	92-93
Schedule A - Schedule of Expenditures of Federal Awards	94
Schedule B - Schedule of Expenditures of State Financial Assistance	95
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	96-97
Schedule of Findings and Questioned Costs	98-100
Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	101

Comprehensive Annual

Financial Report

of the

Borough of Wenonah Board of Education

Wenonah, New Jersey

For the Fiscal Year Ended June 30, 2011

Prepared by

Wenonah School District
Board of Education

Introductory Section

WENONAH PUBLIC SCHOOL • 200 N. Clinton Avenue • Wenonah, New Jersey 08090
Phone 856-468-6000 • Fax 856-468-9674 • www.wenonahschool.org

Frank Vogel
Chief School Administrator

Kathy A. Mastran
Business Administrator/
Board Secretary

November 1, 2011

Honorable President and
Members of the Board of Education
Borough of Wenonah School District
County of Gloucester
Wenonah, New Jersey

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and Its Services

The Borough of Wenonah School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Borough of Wenonah Board of Education and its school constitutes the District's reporting entity.

1. Reporting Entity and Its Services (Concluded)

The District provides a full range of educational services appropriate to grade levels Pre-K through 6. These include regular, as well as special education for handicapped youngsters. The District completed the 2010-2011 fiscal year with an average enrollment of 250 students, which is 1 student more than the previous year's enrollment.

The teaching staff consists of approximately twenty-four faculty members, plus ten instructional classroom aides. The District's administrative structure includes a superintendent/principal, and a business administrator. The nine member board of education is an elected body of the Borough of Wenonah residents.

The District offers a caring, nurturing atmosphere conducive to the student's academic, social, and emotional growth. The District's instructional strategies and processes support the achievement of the New Jersey Core Curriculum Content Standards for all students. When students complete their elementary education in the District, they will have the foundations needed in their journey to becoming productive, self-sufficient, civic minded citizens of the world. The school district staff, involved parents, and community members are integral to the accomplishment of this goal.

All pre-kindergarten through sixth grade students receive a program designed to enlighten their skills in language arts, math, science, social studies, health/physical education, library, music, foreign language, and computer technology.

Comprehensive special education programs are provided to meet the requirements of the special needs population. Child study team services are provided through a contract with the regional high school district. The goal is to ensure that these students receive an educational program appropriate to their needs.

A gifted and talented pullout program is provided to students in grades kindergarten through six to provide advanced learning opportunities to the gifted student.

A strong basic skills curriculum in reading and math is available for students who are identified based on their standardized test scores and/or teacher recommendation. The District employs basic skills teachers whose purpose is to ensure that the students receive a remedial program appropriate to their needs.

2. Economic Condition and Outlook

The Borough of Wenonah has few available building lots. The population of the town is expected to remain relatively stable. There has been a slight shift in age distribution, due primarily to younger families moving in as older residents leave. Commercial property is minimal. The Borough of Wenonah went through a revaluation in January of 2008.

3. Major Initiatives

The District continues to supply an enhanced educational program for our students through the upgrading of our elementary facilities, innovative, educational programs and activities, and a comprehensive curriculum which addresses students' needs from basic skills to enrichment.

Literacy and Math

The District continues to utilize sound research based approaches to both our math and literacy programs. Just recently, our kindergarten through second grade math curriculums were realigned to the state standards. Our fifth and sixth grades are departmentalized in all subject areas. Basic skills instruction is used to provide individualized instruction to kindergarten through sixth grade students that are experiencing difficulty in learning to read and write on their appropriate grade level. Everyday Math is used in all grades.

3. Major Initiatives (Concluded)

Technology

Technology in Wenonah is viewed as critical to school reform because of its capacity to support improvement in the educational process. Interaction via email, facsimile, a school wide network, video conferencing, and research using the internet, leads to problem solving and is revolutionizing the way our students learn. Technology has been integrated into every aspect of our curriculum. Professional development is provided to our teachers to continually upgrade their skills. The District's facility is equipped with laptop computer carts which help facilitate the ever increasing need to expand on technology.

The Arts

The District offers chorus, and beginning and advanced band. Concerts take place semi-annually. There is an annual school play as well as an art show featuring student artwork.

Professional Development

The District participates with Gateway curriculum consortium in offering comprehensive professional development opportunities to the staff. A professional development committee, consisting of staff and administrators, meets regularly to assess the needs of the educational community.

4. Internal Accounting Controls

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District'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 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 and the special revenue 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 District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7. Management's Discussion and Analysis

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD & A). This letter of transmittal is designed to complement the MD & A and should be read in connection with it. The District's MD & A can be found immediately following the report of the independent auditors.

8. Cash Management

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

9. Risk Management

The Board carries various forms of insurance, including, but not limited to, general liability, hazard and theft insurance on property and contents, and fidelity bonds through the Gloucester, Salem, and Cumberland Joint Insurance Fund. Now, in the twelfth year of operation, the JIF is performing very well, meeting and exceeding expectations.

10. Other Information

A. Independent Audit

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ball, Buckley and Seher, LLP, are the appointed District auditors. 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 amended in 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. Acknowledgements

We would like to express our appreciation to the members of the Borough of Wenonah School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office.

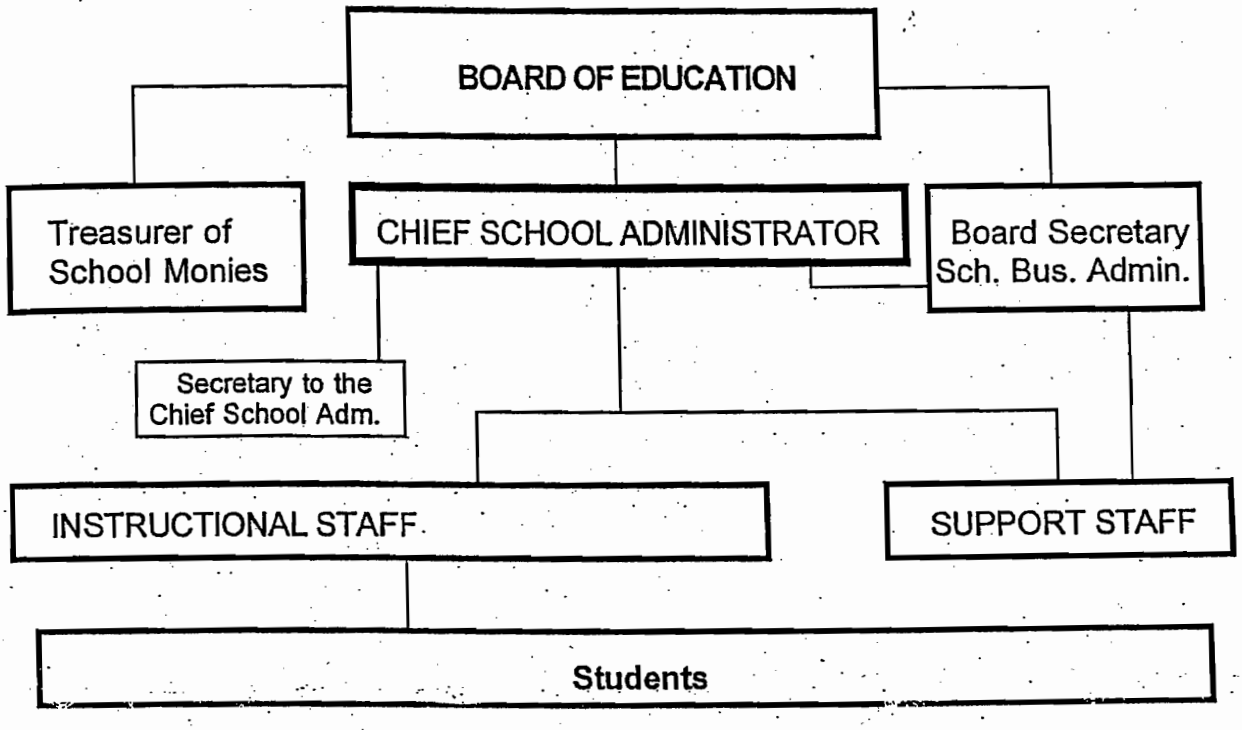
Respectfully submitted,

Frank Vogel
Chief School Administrator

Kathy A. Mastran
Business Administrator/Board Secretary

BOROUGH OF WENONAH BOARD OF EDUCATION
WENONAH, NEW JERSEY

ORGANIZATIONAL CHART
JUNE 30, 2011



BOROUGH OF WENONAH BOARD OF EDUCATION
WENONAH, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2011

	Term Expires
Members of the Board of Education	
Robert Dugan, President	2012
Peter Celano, Vice President	2014
Diana Gehring	2014
Louis McCall	2014
Gregory Shast	2013
Cheryl Demo Morris	2013
Zehra Travis	2013
Terri Pellegrino	2012
Alice Sheppard	2012

Other Officials

Frank Vogel, Chief School Administrator
Kathy A. Mastran, School Business Administrator/Board Secretary
Charles J. Owens, Treasurer
John Wade, Esquire, Solicitor

BOROUGH OF WENONAH BOARD OF EDUCATION
Consultants and Advisors

Audit Firm

Ball, Buckley and Seher, LLP
1301 North Broad Street
Woodbury, New Jersey 08096

Attorney

John Wade, Esquire
Wade, Long, Wood & Kennedy
1250 Chews Landing Road
Laurel Springs, New Jersey 08021

Insurance Agent

Gloucester, Cumberland, Salem School Districts
Joint Insurance Fund
c/o Arthur J. Gallagher
Risk Management Services, Inc.
Post Office Box 449
Marlton, New Jersey 08053

Official Depository

TD Bank, S.J., N.A.
Route 45
Woodbury, New Jersey 08096

Financial Section

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

PCPS
THE AICPA ALLIANCE FOR CPA FIRMS

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Borough of Wenonah School District
County of Gloucester
Wenonah, New Jersey

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Borough of Wenonah School District, County of Gloucester, 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 Board of Education of the Borough of Wenonah School District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinions.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated November 1, 2011 on my consideration of the Board of Education of the Borough of Wenonah School District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

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The Management Discussion and Analysis and Budgetary Comparison Information on pages 10 through 18 and 44 through 57 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. I 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, I did not audit the information and express no opinion on it.

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

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP

William H. Buckley, III
Licensed Public School Accountant No. 86

November 1, 2011

Required Supplementary Information - Part I

BOROUGH OF WENONAH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2011
(UNAUDITED)

The discussion and analysis of Borough of Wenonah School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- Total revenues of $3,118,774.38 were comprised of general revenues in the amount of $2,858,993.71 or 91.67 percent and program specific revenues from charges for services, grants, and contributions in the amount of $259,780.67 or 8.33 percent.

- The District had $3,116,645.89 in expenses related to governmental activities; only $259,780.67 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and state aid) of $2,858,993.71 were sufficient to provide for these programs.

- Among major funds, the General Fund had $2,883,237.51 in revenues and $2,890,845.11 in expenditures. The General Fund's balance decreased $7,586.62 from 2010. This decrease was anticipated by the Board of Education.

Using This Generally Accepted Accounting Principles Report (GAAP)

This annual report consists of a series of financial statements and the Wenonah Elementary 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 provides 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 the Wenonah Elementary School District, the general fund is by far the most significant fund.

Reporting The School District As A Whole

Statement of Net Assets and the Statement of Activities

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

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial 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 reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. The School District does not have any business like activities.

Reporting The School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 21. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and Special Revenue 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District As A Whole

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

Table 1 provides a summary of the School District's net assets:

Table 1
Net Assets

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets:						
Current and other assets	$ 170,310.44	$ 0.00	$ 170,310.44	$ 158,598.56	$ 0.00	$ 158,598.56
Capital assets, net	3,396,962.00	0.00	3,396,962.00	3,503,677.40	0.00	3,503,677.40
Total assets	3,567,272.44	0.00	3,567,272.44	3,662,275.96	0.00	3,662,275.96
Liabilities:						
Current and other liabilities	72,580.14	0.00	72,580.14	40,390.69	0.00	40,390.69
Long-term liabilities:						
Due within one year	127,788.66	0.00	127,788.66	140,354.94	0.00	140,354.94
Due in more than one year	1,949,190.55	0.00	1,949,190.55	2,065,945.73	0.00	2,065,945.73
Total liabilities	2,149,559.35	0.00	2,149,559.35	2,246,691.36	0.00	2,246,691.36
Net assets:						
Invested in capital assets, net of related debt	1,388,173.34	0.00	1,388,173.34	1,354,533.80	0.00	1,354,533.80
Restricted for:						
Capital projects	49,243.62	0.00	49,243.62	76,821.93	0.00	76,821.93
Debt service	2.99	0.00	2.99	2.49	0.00	2.49
Other purposes	0.00	0.00	0.00	70,000.00	0.00	70,000.00
Unrestricted	(19,706.86)	0.00	(19,706.86)	(85,773.62)	0.00	(85,773.62)
Total net assets	$ 1,417,713.09	$ 0.00	$ 1,417,713.09	$ 1,415,584.60	$ 0.00	$ 1,415,584.60

Table 2
Changes in Net Assets

Table 2 shows the changes in net assets:

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program revenues:						
Charges for services	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Operating grants and contributions	259,780.67	0.00	259,780.67	303,730.90	0.00	303,730.90
General revenues:						
Property taxes	2,442,549.00	0.00	2,442,549.00	2,240,433.00	0.00	2,240,433.00
Grants and entitlements	419,618.00	0.00	419,618.00	535,691.00	0.00	535,691.00
Tuition	5,161.16	0.00	5,161.16	8,612.00	0.00	8,612.00
Other	(8,334.45)	0.00	(8,334.45)	(2,024.21)	0.00	(2,024.21)
Total revenues	3,118,774.38	0.00	3,118,774.38	3,086,442.69	0.00	3,086,442.69
Expenses:						
Program expenses:						
Instruction	1,431,462.02	0.00	1,431,462.02	1,444,555.40	0.00	1,444,555.40
Tuition	6,311.34	0.00	6,311.34	54,856.14	0.00	54,856.14
Student and instruction related services	395,171.78	0.00	395,171.78	396,436.38	0.00	396,436.38
School administration services	16,991.27	0.00	16,991.27	20,212.04	0.00	20,212.04
General and business services	215,931.93	0.00	215,931.93	235,772.88	0.00	235,772.88
Plant operations and maintenance	205,279.51	0.00	205,279.51	211,474.88	0.00	211,474.88
Pupil transportation	55,026.37	0.00	55,026.37	64,220.23	0.00	64,220.23
Unallocated benefits	558,458.11	0.00	558,458.11	533,822.13	0.00	533,822.13
Unallocated depreciation	133,397.40	0.00	133,397.40	140,707.40	0.00	140,707.40
Interest on long-term debt	98,616.16	0.00	98,616.16	90,500.84	0.00	90,500.84
Total expenses	3,116,645.89	0.00	3,116,645.89	3,192,558.32	0.00	3,192,558.32
Increase (decrease) in net assets	$ 2,128.49	$ 0.00	$ 2,128.49	$ (106,115.63)	$ 0.00	$ (106,115.63)

Governmental Activities

The tax levy in the amount of $2,254,431.00 was approved in May 2010 by the Wenonah Borough Council after the voters of the community defeated the budget in April 2010 for the operational expenses of the District. A tax levy in the amount of $188,118.00 was raised for the payment of the District's bonded debt.

Instruction comprises 45.93 percent of governmental program expenses. Employee benefits were 17.92 percent and student-related services were 12.68 percent.

Property taxes made up 78.32 percent of revenues for governmental activities for the fiscal year 2011.

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. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	2011		2010	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 1,431,462.02	$ 1,378,332.86	$ 1,444,555.40	$ 1,362,000.31
Tuition	6,311.34	6,311.34	54,856.14	54,856.14
Student and instruction related services	395,171.78	389,869.78	396,436.38	376,577.63
School administration services	16,991.27	16,991.27	20,212.04	20,212.04
General and business services	215,931.93	215,931.93	235,772.88	235,772.88
Plant operations and maintenance	205,279.51	205,279.51	211,474.88	211,474.88
Pupil transportation	55,026.37	55,026.37	64,220.23	64,220.23
Unallocated benefit expenses	558,458.11	357,108.60	533,822.13	332,505.07
Interest on long-term debt	98,616.16	98,616.16	90,500.84	90,500.84
Unallocated depreciation	133,397.40	133,397.40	140,707.40	140,707.40
Total	$ 3,116,645.89	$ 2,856,865.22	$ 3,192,558.32	$ 2,888,827.42

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

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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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.

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

The School District's Funds

Information about the School District's major funds starts on page 43. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of $3,129,807.86 and expenditures of $3,152,393.77. The net negative change in fund balance for the year was most significant in the General Fund, a decrease of $22,585.91.

General Fund Budgeting Highlights

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

During the course of the fiscal 2011 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

The General fund expenditures exceeded revenues and other financing sources of the School District by approximately $22,585.91.

Capital Assets

At the end of the fiscal year 2011, the School District had $3,396,962.00 invested in land, buildings, and equipment; $3,396,962.00 in governmental activities.

Table 4
Capital Assets (Net of Depreciation)
At June 30, 2011 and 2010

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	$ 29,375.00	$ 0.00	$ 29,375.00	$ 29,375.00	$ 0.00	$ 29,375.00
Building and improvements	3,301,545.00	0.00	3,301,545.00	3,382,532.00	0.00	3,382,532.00
Machinery and equipment	66,042.00	0.00	66,042.00	91,770.40	0.00	91,770.40
Total	$ 3,396,962.00	$ 0.00	$ 3,396,962.00	$ 3,503,677.40	$ 0.00	$ 3,503,677.40

Debt

At June 30, 2011, the District had $2,076,979.21 in debt outstanding, $127,788.66 due within one year.

Table 5 summarizes debt outstanding.

Table 5
Outstanding Debt
At June 30, 2011 and 2010

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Bonds payable	$ 2,001,000.00	$ 0.00	$ 2,001,000.00	$ 2,116,000.00	$ 0.00	$ 2,116,000.00
Obligations under capital lease	7,788.66	0.00	7,788.66	33,143.60	0.00	33,143.60
Compensated absences	68,190.55	0.00	68,190.55	57,157.07	0.00	57,157.07
Total	$ 2,076,979.21	$ 0.00	$ 2,076,979.21	$ 2,206,300.67	$ 0.00	$ 2,206,300.67

At June 30, 2011, the District's overall legal debt margin was $5,009,454.11.

For the Future

The Borough of Wenonah School District has continued to maintain the highest standards of service to our students, parents, and community. The District is proud of its community support of the Wenonah School.

A major concern is the continued increase in the cost of operating the District with a minimal increase, or sometimes decrease, in state aid. The Borough of Wenonah is primarily a residential community, with very few commercial ratables, thus the financial burden of tax increases is born by the homeowners. The District has traditionally passed their school budget vote each year, but the budget was defeated in April of 2010 for the 2010-11 school year.

A building renovation was completed in 2007 which provided a new multi-purpose room, music room, art room, and many renovations to existing areas. As a result, the District does not anticipate any major building projects in the foreseeable future.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Kathy A. Mastran, Business Administrator/Board Secretary, 200 North Clinton Avenue, Wenonah, New Jersey 08090.

Basic Financial Statements

District-Wide Financial Statements

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

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	$ 29,051.80	$ 0.00	$ 29,051.80
Receivables, net	91,991.05	0.00	91,991.05
Restricted assets:			
Cash and cash equivalents	49,249.97	0.00	49,249.97
Capital reserve account - cash	17.62	0.00	17.62
Capital assets, net	3,396,962.00	0.00	3,396,962.00
Total assets	3,567,272.44	0.00	3,567,272.44
LIABILITIES:			
Accrued interest	38,278.85	0.00	38,278.85
Accounts payable	34,301.29	0.00	34,301.29
Noncurrent liabilities:			
Due within one year	127,788.66	0.00	127,788.66
Due beyond one year	1,949,190.55	0.00	1,949,190.55
Total liabilities	2,149,559.35	0.00	2,149,559.35
NET ASSETS:			
Invested in capital assets, net of related debt	1,388,173.34	0.00	1,388,173.34
Restricted for:			
Capital projects	49,243.62	0.00	49,243.62
Debt service	2.99	0.00	2.99
Other purposes	0.00	0.00	0.00
Unrestricted	(19,706.86)	0.00	(19,706.86)
Total net assets	$ 1,417,713.09	$ 0.00	$ 1,417,713.09

The accompanying notes to financial statements are an integral part of this statement.

BOROUGH OF WENONAH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expenses) Revenue And Changes In Net Assets: Governmental Activities	Net (Expenses) Revenue And Changes In Net Assets: Business-Type Activities	Net (Expenses) Revenue And Changes In Net Assets: Total
Governmental activities:							
Instruction:							
Regular	$ 1,226,087.57	$ 0.00	$ 53,129.16	$ 0.00	$ (1,172,958.41)	$ 0.00	$ (1,172,958.41)
Special education	121,735.51	0.00	0.00	0.00	(121,735.51)	0.00	(121,735.51)
Other special instruction	74,895.23	0.00	0.00	0.00	(74,895.23)	0.00	(74,895.23)
Other instruction	8,743.71	0.00	0.00	0.00	(8,743.71)	0.00	(8,743.71)
Support services:							
Tuition	6,311.34	0.00	0.00	0.00	(6,311.34)	0.00	(6,311.34)
Student and instruction related services	395,171.78	0.00	5,302.00	0.00	(389,869.78)	0.00	(389,869.78)
School administrative services	16,991.27	0.00	0.00	0.00	(16,991.27)	0.00	(16,991.27)
General and business administrative services	215,931.93	0.00	0.00	0.00	(215,931.93)	0.00	(215,931.93)
Plant operations and maintenance	205,279.51	0.00	0.00	0.00	(205,279.51)	0.00	(205,279.51)
Pupil transportation	55,026.37	0.00	0.00	0.00	(55,026.37)	0.00	(55,026.37)
Unallocated benefits	558,458.11	0.00	201,349.51	0.00	(357,108.60)	0.00	(357,108.60)
Interest on long-term debt	98,616.16	0.00	0.00	0.00	(98,616.16)	0.00	(98,616.16)
Unallocated depreciation	133,397.40	0.00	0.00	0.00	(133,397.40)	0.00	(133,397.40)
Total governmental activities	3,116,645.89	0.00	259,780.67	0.00	(2,856,865.22)	0.00	(2,856,865.22)
Business-type activities:							
Food services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total primary government	$ 3,116,645.89	$ 0.00	$ 259,780.67	$ 0.00	(2,856,865.22)	0.00	(2,856,865.22)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					2,254,431.00	0.00	2,254,431.00
Taxes levied for debt service					188,118.00	0.00	188,118.00
Federal and state aid not restricted					419,618.00	0.00	419,618.00
Tuition					5,161.16	0.00	5,161.16
Investment earnings					685.97	0.00	685.97
Miscellaneous income					2,013.06	0.00	2,013.06
Compensated absences increase					(11,033.48)	0.00	(11,033.48)
Total general revenues, special items, extraordinary items, and transfers					2,858,993.71	0.00	2,858,993.71
Change in net assets					2,128.49	0.00	2,128.49
Net assets - beginning					1,415,584.60	0.00	1,415,584.60
Net assets - ending					$ 1,417,713.09	$ 0.00	$ 1,417,713.09

Fund Financial Statements

BOROUGH OF WENONAH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	$ 29,051.80	$ 0.00	$ 49,246.98	$ 2.99	$ 78,301.77
Due from other funds	83,510.26	0.00	0.00	0.00	83,510.26
Receivables from other governments	8,501.77	74,938.00	0.00	0.00	83,439.77
Restricted cash and cash equivalents	17.62	0.00	0.00	0.00	17.62
Total assets	$ 121,081.45	$ 74,938.00	$ 49,246.98	$ 2.99	$ 245,269.42
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	$ 34,301.29	$ 0.00	$ 0.00	$ 0.00	$ 34,301.29
Interfunds payable	0.00	74,938.00	20.98	0.00	74,958.98
Total liabilities	34,301.29	74,938.00	20.98	0.00	109,260.27
Fund balances:					
Restricted for:					
Capital reserve account	17.62	0.00	0.00	0.00	17.62
Assigned:					
Capital projects fund	0.00	0.00	49,226.00	0.00	49,226.00
Unassigned:					
General fund	86,762.54	0.00	0.00	0.00	86,762.54
Debt service fund	0.00	0.00	0.00	2.99	2.99
Total fund balances	86,780.16	0.00	49,226.00	2.99	136,009.15
Total liabilities and fund balances	$ 121,081.45	$ 74,938.00	$ 49,246.98	$ 2.99	

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 $4,972,064.00 and the accumulated depreciation is $1,575,102.00.	3,396,962.00
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see footnote)	(2,076,979.21)
Interest on long-term debt in the statement of activities is accrued, regardless of when due	(38,278.85)
	$ 1,417,713.09

BOROUGH OF WENONAH SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	$ 2,254,431.00	$ 0.00	$ 0.00	$ 188,118.00	$ 2,442,549.00
Tuition	5,161.16	0.00	0.00	0.00	5,161.16
Interest earned on capital reserve funds	19.48	0.00	0.00	0.00	19.48
Miscellaneous	2,658.36	0.00	21.19	0.00	2,679.55
Total local sources	2,262,270.00	0.00	21.19	188,118.00	2,450,409.19
State sources	620,967.51	0.00	0.00	0.00	620,967.51
Federal sources	0.00	58,431.16	0.00	0.00	58,431.16
Total revenues	2,883,237.51	58,431.16	21.19	188,118.00	3,129,807.86
EXPENDITURES:					
Current:					
Regular instruction	1,172,958.41	53,129.16	0.00	0.00	1,226,087.57
Special education instruction	121,735.51	0.00	0.00	0.00	121,735.51
Other special instruction	74,895.23	0.00	0.00	0.00	74,895.23
Other instruction	8,743.71	0.00	0.00	0.00	8,743.71
Support services and undistributed costs:					
Tuition	6,311.34	0.00	0.00	0.00	6,311.34
Student and instruction related services	389,869.78	5,302.00	0.00	0.00	395,171.78
School administrative services	16,991.27	0.00	0.00	0.00	16,991.27
General and business administrative services	215,931.93	0.00	0.00	0.00	215,931.93
Plant operations and maintenance	205,279.51	0.00	0.00	0.00	205,279.51
Pupil transportation	55,026.37	0.00	0.00	0.00	55,026.37
Unallocated benefits	558,458.11	0.00	0.00	0.00	558,458.11
Debt service:					
Principal	0.00	0.00	0.00	115,000.00	115,000.00
Interest and other charges	0.00	0.00	0.00	88,117.50	88,117.50
Capital outlay	64,643.94	0.00	0.00	0.00	64,643.94
Total expenditures	2,890,845.11	58,431.16	0.00	203,117.50	3,152,393.77
Excess (deficiency) of revenues over (under) expenditures	(7,607.60)	0.00	21.19	(14,999.50)	(22,585.91)
Other financing sources (uses):					
Transfers in/out	20.98	0.00	(15,020.98)	15,000.00	0.00
Total other financing sources (uses)	20.98	0.00	(15,020.98)	15,000.00	0.00
Net change in fund balances	(7,586.62)	0.00	(14,999.79)	0.50	(22,585.91)
Fund balance - July 1	94,366.78	0.00	64,225.79	2.49	158,595.06
Fund balance - June 30	$ 86,780.16	$ 0.00	$ 49,226.00	$ 2.99	$ 136,009.15

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

Total net change in fund balances - governmental funds (from B-2)		$ (22,585.91)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense	$ (133,397.40)	
Capital outlays	26,682.00	(106,715.40)
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.		
Bond principal		115,000.00
Capital lease		25,354.94
Compensated absences		(11,033.48)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		2,108.34
Change in net assets of governmental activities		$ 2,128.49

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

	Unemployment Compensation Trust Fund	Agency Fund
ASSETS:		
Cash and cash equivalents	$ 22,042.36	$ 29,239.95
Interfund accounts receivable	2,399.45	0.00
Total assets	24,441.81	29,239.95
LIABILITIES:		
Payable to district	0.00	10,950.73
Payroll deductions and withholdings	0.00	9,797.89
Due to student groups	0.00	8,491.33
Total liabilities	0.00	$ 29,239.95
NET ASSETS:		
Held in trust for unemployment claims and other purposes	$ 24,441.81	

BOROUGH OF WENONAH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Unemployment Compensation Trust Fund	Total
OPERATING REVENUES:		
Deduction from employees' salaries	$ 5,879.25	$ 5,879.25
Interest earned	42.88	42.88
Total operating revenues	5,922.13	5,922.13
OPERATING EXPENSES:		
Quarterly contributions reports	2,333.63	2,333.63
Unemployment claims	5,950.99	5,950.99
Total operating expenses	8,284.62	8,284.62
Operating income (loss)	(2,362.49)	(2,362.49)
Net assets - beginning of year	26,804.30	26,804.30
Net assets - end of year	$ 24,441.81	$ 24,441.81

Notes To The Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of Borough of Wenonah School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity

The Borough of Wenonah School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board is comprised of 9 members elected to three-year terms. The purpose of the District is to educate students in grades Pre-K - 6. The District had an approximate enrollment at June 30, 2011 of 250 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether the organization is legally separate (can sue or be sued in their own name), the District holds the corporate power 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, and there is a fiscal dependency by the organization on the District.

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn is divided into separate "fund types" as follows:

Governmental Funds

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

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 the general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

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

Proprietary Funds

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Concluded)

Proprietary Funds (Concluded)

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

The School District does not have any proprietary funds.

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.

> 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.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and 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 for 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue are recognized as soon as they are both measurable and available. Revenues are considered to be available when the are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. 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.

Property taxes, tuition, state equalizations monies, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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.

F. Encumbrances

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

Open encumbrances in the special revenue fund for which the 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash, Cash Equivalents, and Investments

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

H. Tuition Receivable

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

I. Tuition Payable

Tuition charges for the fiscal years 2010-11 and 2009-10 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Inventories in the proprietary funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2011. Since there aren't any proprietary funds in the District, there isn't any inventories.

K. Short-Term Interfund Receivables/Payables

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Capital Assets

Capital assets purchased or acquired within an original cost of $2,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements - 10-50 years
Machinery and equipment - 5-20 years

M. Compensated Absences

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

N. Deferred Revenue

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

O. Long-Term Obligations

Long-term debt is recorded on the district-wide statement as due within one year and due beyond one year.

P. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

Q. 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 deprecation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The School District applies restricted resources when an expense is incurred for purchases for which both restricted and unrestricted net assets are available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balance

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

Nonspendable

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

Restricted

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

Committed

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

Assigned

The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by the Board of Education.

Unassigned

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

S. Use of Estimates

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

T. Component Units

GASB Statement No. 14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units. Based on the aforementioned criteria, the School District has no component units.

NOTE 2 - CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits 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 (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2011, the District's bank balances were exposed to custodial credit risk as follows:

Insurance	$ 174,101.77
Uninsured and collateralized with securities held by pledging financial institutions	-.
	$ 174,101.77

New Jersey ARM

During the fiscal year, the School District participated in the New Jersey ARM. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Fund's participants. Deposits with the New Jersey ARM are not subject to custodial credit risk as defined above. At June 30, 2011, the School District's deposits with the New Jersey ARM were $20,348.32.

NOTE 3 - CAPITAL ASSETS

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

	Balance as of June 30, 2010	Additions	Disposals	Balance as of June 30, 2011
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 29,375.00	$ 0.00	$ 0.00	$ 29,375.00
Total capital assets, not being depreciated	29,375.00	0.00	0.00	29,375.00
Capital assets, being depreciated:				
Building and improvements	4,448,325.00	26,682.00	0.00	4,475,007.00
Equipment	467,682.00	0.00	0.00	467,682.00
Total at historical cost	4,916,007.00	26,682.00	0.00	4,942,689.00
Less accumulated depreciation:				
Building and improvements	(1,065,793.00)	(107,669.00)		(1,173,462.00)
Equipment	(375,911.60)	(25,728.40)		(401,640.00)
Total accumulated depreciation	(1,441,704.60)	(133,397.40)	0.00	(1,575,102.00)
Total capital assets, being depreciated, net	3,474,302.40	(106,715.40)	0.00	3,367,587.00
Governmental activities capital assets, net	$ 3,503,677.40	$ (106,715.40)	$ 0.00	$ 3,396,962.00
Business-type activities:				
Capital assets, being depreciated:				
Equipment	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Less accumulated depreciation	0.00	0.00	0.00	0.00
Business-type activities capital assets, net	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Depreciation expense in the amount of $133,397.40 was charged to governmental functions as follows:

Unallocated	$ 133,397.40
Total depreciation expense	$ 133,397.40

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2011 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Total
State	$ 7,340.61	$ -	$ 7,340.61
Federal	-	74,938.00	74,938.00
Other	1,161.16	-.	1,161.16
Total	$ 8,501.77	$ 74,938.00	$ 83,439.77

NOTE 5 - GENERAL LONG-TERM DEBT

During the fiscal year ended June 30, 2011, the following changes occurred in liabilities reported in the general long-term debt account group:

	Principal Outstanding June 30, 2010	Additions	Reductions	Principal Outstanding June 30, 2011	Amounts Due Within One Year
General obligation bonds	$ 2,116,000.00	$ 0.00	$ 115,000.00	$ 2,001,000.00	$ 120,000.00
Obligation under capital lease	33,143.60	0.00	25,354.94	7,788.66	7,788.66
Compensated absences payable	57,157.07	11,033.48	0.00	68,190.55	0.00
Total	$ 2,206,300.67	$ 11,033.48	$ 140,354.94	$ 2,076,979.21	$ 127,788.66

NOTE 5 - GENERAL LONG-TERM DEBT (Concluded)

A. Bonds Payable

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

On December 15, 2003, the School District issued $2,760,000.00 in general obligation bonds for school improvements. The bonds carry interest rates ranging from 4.00% to 4.50% and mature in 2024.

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

	Principal	Interest	Total
Year ending June 30,			
2012	$ 120,000.00	$ 83,517.50	$ 203,517.50
2013	125,000.00	78,717.50	203,717.50
2014	130,000.00	73,717.50	203,717.50
2015	135,000.00	68,517.50	203,517.50
2016	140,000.00	63,117.50	203,117.50
2017-2021	800,000.00	225,575.00	1,025,575.00
2022-2024	551,000.00	49,030.00	600,030.00
	$2,001,000.00	$ 642,192.50	$ 2,643,192.50

B. Bonds Authorized But Not Issued

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

C. Compensated Absences

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

D. Capital Leases Payable

As of June 30, 2011, the District had two capital leases outstanding for the purchase of Apple computers. The first capital lease has an original amount of $53,596.00 and the second capital lease has an original amount of $23,376.00.

The following is a schedule of the future minimum lease payments under this lease and present value of the net minimum lease payments at June 30, 2011:

Year	Amount
2011	$ 8,072.95
Total minimum lease payments	8,072.95
Less: amount representing interest	284.29
Present value of net minimum lease payments	$ 7,788.66

E. Interest Expense

No interest expense was capitalized during the fiscal year ending June 30, 2011. Interest expense totaling $88,117.50 was paid by the debt service fund for the fiscal year ending June 30, 2011.

NOTE 6 - OPERATING LEASES

The District has commitments to lease two copiers under operating leases. Total operating lease expenditures for the year ended June 30, 2011 were $7,543.46, which includes copy costs. Future minimum lease payments are as follows:

Year Ending June 30	Amount
2012	$ 1,120.20
2013	55.86
Total future minimum lease payments	$ 1,176.06

NOTE 7 - PENSION PLANS

Description of Plans

Substantially all of the School District's employees participate in one of the following pension plans which have been established by state statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), or the Defined Contribution Retirement Program (DCRP). The TPAF and PERS are defined benefit pension plans while the DCRP is a defined contribution pension plan. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, Post Office Box 295, Trenton, New Jersey 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

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

NOTE 7 - PENSION PLANS (Continued)

Public Employees' Retirement System (PERS)

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

The School District is billed annually for its normal contribution plus any accrued liability.

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

Fiscal Year	Normal Contribution	Accrued Liability	Total Liability	Paid By District
2011	$ 10,954.00	$ 14,582.00	$ 25,536.00	$ 25,536.00
2010	10,011.00	9,767.00	19,778.00	19,778.00
2009		Not Available		

NOTE 8 - POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c. 6 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. 2207, 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 repayment 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 P.L. 1992, c. 126, which provides free health benefits to member 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.

NOTE 9 - ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were $4,454.00 and $94,593.00, respectively.

NOTE 10 - COMPENSATED ABSENCES

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

Twelve-month professional employees, custodians, and support staff are eligible for vacation based on contract schedules with a maximum of twenty days in a fiscal year. Vacation days may be carried over according to the contracts.

By contract and state statute (N.J.S.A. 18A:30-3), instructional employees may accrue sick time. The contracts provide that upon retirement with fifteen years or more of service, an employee is eligible to receive a reimbursement at the prevailing substitute rate of pay at thirty (30) percent of their unused, accumulated sick leave days. Non-instructional employees may accumulate all unused sick leave days.

In the district-wide Statement of Net Assets, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

NOTE 11 - DEFERRED COMPENSATION

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

Lincoln Investments
Equitable Insurance

NOTE 12 - RISK MANAGEMENT

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

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

The District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDJIF), public entity risk pool. Coverage under this joint plan offers workers' compensation, boiler and machinery, automobile liability, general liability, property, crime and school board legal liability coverage. The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies. No contingency provision has been made in these financial statements as no deficiencies occurred as of June 30, 2011 for the joint insurance pool. As of December 31, 2010, the fund had a projected surplus of $1,671,064.00 of which the District has a proportionate share in the amount of $18,846.00.

New Jersey Unemployment Compensation Insurance - The District has elected to funds 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 previous two years:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2010-2011	$ 42.88	$ 5,879.25	$ 8,284.62	$ 24,441.81
2009-2010	88.89	6,282.61	17,388.50	26,804.30
2008-2009	221.65	5,258.59	3,913.57	37,821.30

NOTE 13 - INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances existed at June 30, 2011:

Fund	Interfund Receivable	Interfund Payable
General fund	$ 83,510.26	$ -
Special revenue fund	-	74,938.00
Capital projects fund	-	20.98
Unemployment compensation trust fund	2,399.45	-
Trust and agency fund	-.	10,950.73
	$ 85,909.71	$ 85,909.71

NOTE 14 - FUND BALANCE APPROPRIATED

The School District has classified its fund balances with the following hierarchy:

Nonspendable

The School District does not have any nonspendable funds.

Spendable

The School District has classified the spendable fund balances as Restricted, Assigned, and Unassigned and considered each to have been spent when expenditures are incurred. The School District currently has no funds classified as Committed.

Restricted

Capital Reserve - As of June 30, 2011, the balance in the capital reserve account is $17.62 which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

Assigned

Capital Projects Fund - As of June 30, 2011, the balance in the capital projects fund is $49,226.00. The School District has appropriated and included as an anticipated revenue $49,226.00 in the debt service fund for the fiscal year ended June 30, 2012.

Unassigned

This the remainder of the School District's equity in the governmental fund types. The total balance is $86,765.53 as of June 30, 2011. This is comprised of $86,762.54 in the general fund and $2.99 in the debt service fund.

NOTE 15 - CALCULATION OF EXCESS SURPLUS

The designation for reserved fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2011 is $0.00. The excess fund balance at June 30, 2010 was $0.00.

NOTE 16 - CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of $1.00 in the 2000-01 capital outlay budget, which was certified for taxes and 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 its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital outlay expenditures and transfers of such funds for other uses are prohibited pursuant to N.J.S.A. 18A:22-8.2. Funds withdrawn from the account must be included in the annual budget certified for taxes as a revenue labeled "withdrawal from capital reserve". Increases in the account from sources other than investment income cannot exceed the amount appropriated in the annual budget certified for taxes as an increase in the Capital Reserve Account.

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

Adjusted beginning balance, July 1, 2010	$	12,596.14
Interest earnings		19.48
Utilized for projects		(12,598.00)
Ending balance, June 30, 2011	$	17.62

NOTE 17 - CONTINGENT LIABILITIES

The Board is not involved in any claims or lawsuits incidental to its operations that will, in the opinion of the administration and legal counsel, have a material adverse effect on the financial position of the District.

NOTE 18 - SUBSEQUENT EVENTS

Subsequent events were evaluated through November 1, 2011, the date which the financial statements were available to be issued.

Required Supplementary Information - Part II

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
REVENUES:					
Local sources:					
Local tax levy	$ 2,254,431.00	$ 0.00	$ 2,254,431.00	$ 2,254,431.00	$ 0.00
Tuition	10,000.00	0.00	10,000.00	5,161.16	(4,838.84)
Interest earned on capital reserve funds	0.00	0.00	0.00	19.48	19.48
Unrestricted miscellaneous revenues	0.00	0.00	0.00	2,658.36	2,658.36
Total local sources	2,264,431.00	0.00	2,264,431.00	2,262,270.00	(2,161.00)
State sources:					
Categorical special education aid	32,610.00	98,473.00	131,083.00	131,083.00	0.00
Equalization aid	370,893.00	(98,473.00)	272,420.00	272,420.00	0.00
Other state aids	0.00	0.00	0.00	2,262.00	2,262.00
On-behalf T.P.A.F. pension contributions (non-budgeted)	0.00	0.00	0.00	99,047.00	99,047.00
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	102,302.51	102,302.51
Total state sources	403,503.00	0.00	403,503.00	607,114.51	203,611.51
Total revenues	2,667,934.00	0.00	2,667,934.00	2,869,384.51	201,450.51

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	$ 134,996.00	$ 5,731.00	$ 140,727.00	$ 140,602.11	$ 124.89
Grades 1-5	877,628.00	(40,539.56)	837,088.44	836,887.67	200.77
Grades 6-8	125,500.00	30,625.00	156,125.00	156,115.54	9.46
Home instruction:					
Salaries of teachers	1,000.00	(790.00)	210.00	210.00	0.00
Regular programs - undistributed instruction:					
Purchased professional-educational services	500.00	(85.00)	415.00	400.00	15.00
Purchased technical services	3,500.00	(2,556.75)	943.25	840.00	103.25
Other purchased services	10,200.00	(3,879.06)	6,320.94	5,931.72	389.22
General supplies	32,000.00	(321.23)	31,678.77	30,683.85	994.92
Textbooks	2,000.00	(1,420.48)	579.52	579.52	0.00
Other objects	1,500.00	(792.00)	708.00	708.00	0.00
Total regular programs	1,188,824.00	(14,028.08)	1,174,795.92	1,172,958.41	1,837.51

BOROUGH OF WENONAH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal 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	$ 119,185.00	$ (37,883.70)	$ 81,301.30	$ 81,301.30	$ 0.00
General supplies	2,000.00	433.75	2,433.75	2,433.75	0.00
Total resource room/resource center	121,185.00	(37,449.95)	83,735.05	83,735.05	0.00
Preschool disabilities - part time:					
Salaries of teachers	20,000.00	7,596.00	27,596.00	27,056.50	539.50
Other salaries for instruction	10,000.00	(2,206.00)	7,794.00	7,300.00	494.00
General supplies	0.00	3,643.96	3,643.96	3,643.96	0.00
Total preschool disabilities - part time	30,000.00	9,033.96	39,033.96	38,000.46	1,033.50
Home instruction:					
Salaries of teachers	500.00	(500.00)	0.00	0.00	0.00
Total home instruction	500.00	(500.00)	0.00	0.00	0.00
Total special education	151,685.00	(28,915.99)	122,769.01	121,735.51	1,033.50
Basic skills/remedial - instruction:					
Salaries of teachers	25,346.00	34,278.24	59,624.24	59,624.24	0.00
Purchased professional-educational services	0.00	14,806.67	14,806.67	14,806.67	0.00
General supplies	1,000.00	(535.68)	464.32	464.32	0.00
Total basic skills/remedial - instruction	26,346.00	48,549.23	74,895.23	74,895.23	0.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
School sponsored cocurricular/extracurricular activities - instruction:					
Salaries	$ 4,600.00	$ 1,271.23	$ 5,871.23	$ 5,871.23	$ 0.00
Supplies and materials	200.00	(7.00)	193.00	170.48	22.52
Other objects	2,700.00	7.00	2,707.00	2,702.00	5.00
Total school sponsored cocurricular/extracurricular activities - instruction	7,500.00	1,271.23	8,771.23	8,743.71	27.52
Total instruction	185,531.00	20,904.47	206,435.47	205,374.45	1,061.02
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state - special	26,922.00	230.24	27,152.24	5,665.97	21,486.27
Tuition - other	0.00	645.37	645.37	645.37	0.00
Total instruction	26,922.00	875.61	27,797.61	6,311.34	21,486.27
Attendance and social work services:					
Salaries	10,031.00	239.77	10,270.77	10,145.63	125.14
Purchased professional and technical services	4,500.00	0.00	4,500.00	4,500.00	0.00
Supplies and materials	100.00	0.00	100.00	0.00	100.00
Total attendance and social work services	14,631.00	239.77	14,870.77	14,645.63	225.14

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Health services:					
Salaries	$ 31,334.00	$ 566.00	$ 31,900.00	$ 31,729.02	$ 170.98
Purchased professional and technical services	200.00	(117.00)	83.00	25.00	58.00
Other purchased services	100.00	0.00	100.00	0.00	100.00
Supplies and materials	3,000.00	0.00	3,000.00	2,331.24	668.76
Other objects	100.00	0.00	100.00	0.00	100.00
Total health services	34,734.00	449.00	35,183.00	34,085.26	1,097.74
Speech OT, PT and related services:					
Salaries	43,520.00	(14,787.00)	28,733.00	28,591.60	141.40
Purchased professional educational services	700.00	24,146.30	24,846.30	24,277.50	568.80
Supplies and materials	500.00	0.00	500.00	456.15	43.85
Total speech OT, PT and related services	44,720.00	9,359.30	54,079.30	53,325.25	754.05
Other support services - students - extraordinary services:					
Salaries	103,196.00	49,087.83	152,283.83	152,283.83	0.00
Purchased professional educational services	38,000.00	(21,971.75)	16,028.25	16,028.25	0.00
Total other support services - students - extraordinary services	141,196.00	27,116.08	168,312.08	168,312.08	0.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Guidance:					
Salaries of other professional staff	$ 12,681.00	$ 568.00	$ 13,249.00	$ 12,716.80	$ 532.20
Supplies and materials	150.00	274.71	424.71	424.71	0.00
Total guidance	12,831.00	842.71	13,673.71	13,141.51	532.20
Child study teams:					
Purchased professional educational services	67,376.00	(5,133.50)	62,242.50	61,342.50	900.00
Total child study teams	67,376.00	(5,133.50)	62,242.50	61,342.50	900.00
Improvement of instruction services:					
Salaries of other professional staff	0.00	1,027.50	1,027.50	1,027.50	0.00
Purchased professional educational services	39,000.00	0.00	39,000.00	25,378.00	13,622.00
Supplies and materials	5,000.00	(1,130.61)	3,869.39	967.06	2,902.33
Total improvement of instruction services	44,000.00	(103.11)	43,896.89	27,372.56	16,524.33
Educational media services/school library:					
Salaries	16,000.00	(802.00)	15,198.00	15,095.00	103.00
Purchased professional and technical services	2,000.00	(1,900.00)	100.00	100.00	0.00
Supplies and materials	2,000.00	(103.71)	1,896.29	1,896.29	0.00
Total educational media services/school library	20,000.00	(2,805.71)	17,194.29	17,091.29	103.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Training services - instructional staff:					
Salaries of other professional staff	$ 3,000.00	$ (3,000.00)	$ 0.00	$ 0.00	$ 0.00
Other purchased services	1,500.00	(986.00)	514.00	414.00	100.00
Supplies and materials	1,000.00	(860.30)	139.70	139.70	0.00
Total training services - instructional staff	5,500.00	(4,846.30)	653.70	553.70	100.00
Support services - general administration:					
Salaries	131,600.00	133.82	131,733.82	131,732.82	1.00
Legal services	1,000.00	(527.50)	472.50	472.50	0.00
Audit fees	8,500.00	(164.00)	8,336.00	8,336.00	0.00
Purchased technical services	3,200.00	(2,977.50)	222.50	222.50	0.00
Communications/telephone	9,800.00	(1,426.73)	8,373.27	8,108.53	264.74
BOE other purchased services	1,000.00	(1,000.00)	0.00	0.00	0.00
Other purchased services	10,900.00	874.78	11,774.78	11,774.78	0.00
General supplies	1,500.00	(1,115.00)	385.00	344.96	40.04
BOE in-house training/meeting supplies	500.00	(350.00)	150.00	150.00	0.00
Miscellaneous expenditures	2,500.00	305.50	2,805.50	2,659.28	146.22
BOE membership dues and fees	2,000.00	190.70	2,190.70	2,190.70	0.00
Total support services - general administration	172,500.00	(6,055.93)	166,444.07	165,992.07	452.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Support services - school administration:					
Salaries of other professional staff	$ 3,000.00	$ 0.00	$ 3,000.00	$ 3,000.00	$ 0.00
Salaries of secretarial and clerical assistants	12,000.00	(2,209.00)	9,791.00	9,576.00	215.00
Other salaries	3,100.00	(642.70)	2,457.30	0.00	2,457.30
Purchased professional and technical services	100.00	(100.00)	0.00	0.00	0.00
Other purchased services	2,000.00	668.94	2,668.94	2,668.94	0.00
Supplies and materials	4,000.00	(130.13)	3,869.87	1,746.33	2,123.54
Total support services - school administration	24,200.00	(2,412.89)	21,787.11	16,991.27	4,795.84
Central services:					
Salaries	7,700.00	7,684.00	15,384.00	15,384.00	0.00
Purchased professional services	35,000.00	(11,845.60)	23,154.40	20,000.00	3,154.40
Purchased technical services	8,500.00	1,543.90	10,043.90	9,780.20	263.70
Supplies and materials	6,000.00	(3,204.74)	2,795.26	2,764.82	30.44
Interest on lease purchase agreements	1,900.00	385.84	2,285.84	1,935.84	350.00
Miscellaneous expenditures	500.00	(425.00)	75.00	75.00	0.00
Total central services	59,600.00	(5,861.60)	53,738.40	49,939.86	3,798.54
Required maintenance for school facilities:					
Cleaning, repair, and maintenance services	12,000.00	6,867.20	18,867.20	18,867.20	0.00
Total required maintenance for school facilities	12,000.00	6,867.20	18,867.20	18,867.20	0.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Custodial services:					
Salaries	$ 90,000.00	$ 14,527.40	$ 104,527.40	$ 104,394.32	$ 133.08
Purchased professional and technical services	2,000.00	(950.00)	1,050.00	1,050.00	0.00
Cleaning, repair, and maintenance services	7,000.00	(257.35)	6,742.65	6,742.65	0.00
Other purchased property services	6,000.00	(2,894.47)	3,105.53	3,105.53	0.00
Insurance	13,100.00	(5,055.00)	8,045.00	8,045.00	0.00
General supplies	10,000.00	(3,711.46)	6,288.54	6,262.98	25.56
Energy (natural gas)	40,000.00	(18,980.09)	21,019.91	20,214.63	805.28
Energy (electricity)	26,000.00	5,935.32	31,935.32	31,935.32	0.00
Total custodial services	194,100.00	(11,385.65)	182,714.35	181,750.43	963.92
Care and upkeep of grounds:					
Cleaning, repair, and maintenance services	0.00	4,623.56	4,623.56	4,623.56	0.00
General supplies	0.00	38.32	38.32	38.32	0.00
Total care and upkeep of grounds	0.00	4,661.88	4,661.88	4,661.88	0.00
Student transportation services:					
Contracted services (other than between home and school) - vendors	2,000.00	262.25	2,262.25	2,262.25	0.00
Contracted services (special education) - joint agreements	25,000.00	15,248.12	40,248.12	40,248.12	0.00
Contracted services - aid in lieu of payments	14,000.00	(1,484.00)	12,516.00	12,516.00	0.00
Total student transportation services	41,000.00	14,026.37	55,026.37	55,026.37	0.00

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Unallocated benefits:					
Social security contributions	$ 35,000.00	$ 812.77	$ 35,812.77	$ 35,812.77	$ 0.00
Other retirement contributions - regular	20,500.00	9,336.00	29,836.00	29,836.00	0.00
Workmen's compensation	16,100.00	(5,143.00)	10,957.00	10,957.00	0.00
Health benefits	306,062.00	(37,480.21)	268,581.79	268,124.54	457.25
Tuition reimbursement	6,000.00	(163.02)	5,836.98	5,610.25	226.73
Other employee benefits	4,000.00	3,813.04	7,813.04	6,768.04	1,045.00
Total unallocated benefits	387,662.00	(28,824.42)	358,837.58	357,108.60	1,728.98
On-behalf T.P.A.F. pension contributions (non-budgeted)	0.00	0.00	0.00	99,047.00	(99,047.00)
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	102,302.51	(102,302.51)
Total undistributed expenditures	1,302,972.00	(2,991.19)	1,299,980.81	1,447,868.31	(147,887.50)
Total expenditures - current expense	2,677,327.00	3,885.20	2,681,212.20	2,826,201.17	(144,988.97)

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
CAPITAL OUTLAY:					
Facilities acquisition and construction services:					
Architectural/engineering services	$ 0.00	$ 2,950.00	$ 2,950.00	$ 2,950.00	$ 0.00
Construction services	32,598.00	(2,950.00)	29,648.00	23,732.00	5,916.00
Lease purchase agreements - principal	28,000.00	0.00	28,000.00	25,354.94	2,645.06
Other objects	12,607.00	0.00	12,607.00	12,607.00	0.00
Total facilities acquisition and construction services	73,205.00	0.00	73,205.00	64,643.94	8,561.06
Total capital outlay	73,205.00	0.00	73,205.00	64,643.94	8,561.06
Total expenditures	2,750,532.00	3,885.20	2,754,417.20	2,890,845.11	(136,427.91)
Excess (deficiency) of revenues over (under) expenditures	(82,598.00)	(3,885.20)	(86,483.20)	(21,460.60)	65,022.60
Other financing sources (uses):					
Transfers in	0.00	0.00	0.00	21.19	21.19
Transfers out	0.00	0.00	0.00	(0.21)	(0.21)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(82,598.00)	(3,885.20)	(86,483.20)	(21,439.62)	65,043.58
Fund balances - July 1	143,993.78	0.00	143,993.78	143,993.78	0.00
Fund balances - June 30	$ 61,395.78	$ (3,885.20)	$ 57,510.58	$ 122,554.16	$ 65,043.58

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Recapitulation:					
Restricted fund balance:					
Capital reserve				$ 17.62	
Unassigned fund balance				122,536.54	
				122,554.16	
Reconciliation to governmental funds statements (GAAP):					
Last state aid payments not recognized on GAAP basis				(35,774.00)	
			Fund balance per governmental funds (GAAP)	$ 86,780.16	

EXHIBIT C-2

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

	Original Budget	Budget Transfers	Final Budget	Actual (Budgetary Basis)	Variance Final To Actual Favorable (Unfavorable)
REVENUES:					
Federal sources	$ 39,033.00	$ 19,398.16	$ 58,431.16	$ 58,431.16	$ 0.00
Total revenues	39,033.00	19,398.16	58,431.16	58,431.16	0.00
EXPENDITURES:					
Instruction:					
Salaries of teachers	0.00	300.00	300.00	300.00	0.00
Other purchased services	3,085.00	48,859.63	51,944.63	51,944.63	0.00
General supplies	0.00	884.53	884.53	884.53	0.00
Tuition	35,948.00	(35,948.00)	0.00	0.00	0.00
Total instruction	39,033.00	14,096.16	53,129.16	53,129.16	0.00
Support services:					
Employee benefits	0.00	23.00	23.00	23.00	0.00
Purchased professional technical services	0.00	5,279.00	5,279.00	5,279.00	0.00
Total support services	0.00	5,302.00	5,302.00	5,302.00	0.00
Total expenditures	39,033.00	19,398.16	58,431.16	58,431.16	0.00
Excess (deficiency) of revenues over (under) expenditures	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Notes To The Required Supplementary Information

BOROUGH OF WENONAH SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note To Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

Note A - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	$ 2,869,384.51	$ 58,431.16
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is realized:		
2009-10	0.00	0.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements:		
2009-10	49,627.00	0.00
2010-11	(35,774.00)	0.00
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 2,883,237.51	$ 58,431.16
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 2,890,845.11	$ 58,431.16
Differences - 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 financial reporting purposes:		
2010-11	0.00	0.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 2,890,845.11	$ 58,431.16

Other Supplementary Information

BOROUGH OF WENONAH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	I.D.E.A. - Part B Basic Regular Program	A.R.R.A. I.D.E.A. - Part B Basic Regular Program	A.R.R.A. I.D.E.A. - Part B Preschool Program	NCLB - Title II Part A	NCLB - Title II Part A Carryover	NCLB - Title IV Carryover	Total
REVENUES:							
Federal sources	$ 49,627.00	$ 3,080.63	$ 1,813.00	$ 3,585.00	$ 31.00	$ 294.53	$ 58,431.16
Total revenues	$ 49,627.00	$ 3,080.63	$ 1,813.00	$ 3,585.00	$ 31.00	$ 294.53	$ 58,431.16
EXPENDITURES:							
Instruction:							
Other salaries for instruction	$ 0.00	$ 0.00	$ 300.00	$ 0.00	$ 0.00	$ 0.00	$ 300.00
Other purchased services	45,279.00	3,080.63	0.00	3,585.00	0.00	0.00	51,944.63
General supplies	0.00	0.00	590.00	0.00	0.00	294.53	884.53
Total instruction	45,279.00	3,080.63	890.00	3,585.00	0.00	294.53	53,129.16
Support services:							
Employee benefits	0.00	0.00	23.00	0.00	0.00	0.00	23.00
Purchased professional technical services	4,348.00	0.00	900.00	0.00	31.00	0.00	5,279.00
Total support services	4,348.00	0.00	923.00	0.00	31.00	0.00	5,302.00
Total expenditures	$ 49,627.00	$ 3,080.63	$ 1,813.00	$ 3,585.00	$ 31.00	$ 294.53	$ 58,431.16

BOROUGH OF WENONAH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2011

Project Title	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures To Date Prior Year	GAAP Expenditures To Date Current Year	Unexpended Appropriations June 30, 2011
School improvements	09/15/03	$ 3,899,011.21	$ 3,834,785.21	$ 15,000.00	$ 49,226.00
		$ 3,899,011.21	$ 3,834,785.21	$ 15,000.00	$ 49,226.00

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

REVENUES AND OTHER FINANCING SOURCES:		
Interest earnings	$	21.19
Total revenues and other financing sources		21.19
EXPENDITURES AND OTHER FINANCING USES:		
Transfers to general fund for interest earnings and rounding adjustments		20.98
Transfers to debt service fund - principal due on outstanding bonds		15,000.00
Total expenditures and other financing uses		15,020.98
Excess (deficiency) of revenues over (under) expenditures		(14,999.79)
Fund balance - beginning		64,225.79
Fund balance - ending	$	49,226.00

BOROUGH OF WENONAH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Various Infrastructure Improvements to Wenonah Elementary School
From Inception and for the Fiscal Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SCC grant	$ 1,162,834.00	$ 0.00	$ 1,162,834.00	$ 1,162,834.00
Bond proceeds and transfers	2,736,000.00	0.00	2,736,000.00	2,736,000.00
Transfer from capital outlay	177.00	0.00	177.00	177.00
Transfer from general fund for rounding adjustments	0.00	0.21	0.21	0.21
Total revenues and other financing sources	3,899,011.00	0.21	3,899,011.21	3,899,011.21
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	3,834,785.21	0.00	3,834,785.21	3,834,785.21
Transfers to debt service fund - principal due on outstanding bonds	0.00	15,000.00	15,000.00	15,000.00
Total expenditures and other financing uses	3,834,785.21	15,000.00	3,849,785.21	3,849,785.21
Excess (deficiency) of revenues over (under) expenditures	$ 64,225.79	$ (14,999.79)	$ 49,226.00	$ 49,226.00

ADDITIONAL GRANT PROJECT INFORMATION:	
Project number	5590-050003-0566
Grant date	6/16/03
Bond authorization	09/30/03
Original authorized cost	$ 3,899,011.00
Additional authorized cost	$ 0.00
Revised authorized cost	$ 3,899,011.21
Percentage increase over original authorized cost	0.00%
Percentage of completion	100%
Original target completion date	09/01/05
Revised target completion date	09/01/07

BOROUGH OF WENONAH SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Fiduciary Net Assets
June 30, 2011

	Expendable Trust	Agency		
	Unemployment Compensation Insurance Trust	Student Activity	Payroll	Total
ASSETS:				
Cash and cash equivalents	$ 22,042.36	$ 8,491.33	$ 20,748.62	$ 51,282.31
Interfund accounts receivable	2,399.45	0.00	0.00	2,399.45
Total assets	$ 24,441.81	$ 8,491.33	$ 20,748.62	$ 53,681.76
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Payroll deductions and withholdings	$ 0.00	$ 0.00	$ 9,797.89	$ 9,797.89
Interfund accounts payable	0.00	0.00	10,950.73	10,950.73
Due to student groups	0.00	8,491.33	0.00	8,491.33
Total liabilities	0.00	8,491.33	20,748.62	29,239.95
Fund balances:				
Reserved	24,441.81	0.00	0.00	24,441.81
Total fund balances	24,441.81	0.00	0.00	24,441.81
Total liabilities and fund balances	$ 24,441.81	$ 8,491.33	$ 20,748.62	$ 53,681.76

BOROUGH OF WENONAH SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Changes in Fiduciary Net Assets
For the Fiscal Year Ended June 30, 2011

OPERATING REVENUES:		
Deduction from employees' salaries	$	5,879.25
Interest earned		42.88
Total operating revenues		5,922.13
OPERATING EXPENSES:		
Claims		5,950.99
Quarterly reports		2,333.63
Total operating expenses		8,284.62
Operating income (loss)		(2,362.49)
Fund balances - July 1		26,804.30
Fund balances - June 30	$	24,441.81

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

	Adjusted Balance July 1, 2010	Cash Receipts	Cash Disbursements	Balance June 30, 2011
Elementary school	$ 5,179.32	$ 7,873.03	$ 4,561.02	$ 8,491.33
Total all schools	$ 5,179.32	$ 7,873.03	$ 4,561.02	$ 8,491.33

BOROUGH OF WENONAH SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursement
For the Fiscal Year Ended June 30, 2011

	Adjusted Balance July 1, 2010	Cash Receipts	Cash Disbursements	Balance June 30, 2011
ASSETS:				
Cash and cash equivalents	$ 12,886.39	$ 1,987,534.92	$ 1,979,672.69	$ 20,748.62
Total assets	$ 12,886.39	$ 1,987,534.92	$ 1,979,672.69	$ 20,748.62
LIABILITIES:				
Payroll deductions and withholdings	$ 10,888.43	$ 798,327.00	$ 799,417.54	$ 9,797.89
Net payroll	0.00	1,173,879.79	1,173,879.79	0.00
Interfund accounts payable	1,997.96	15,328.13	6,375.36	10,950.73
Total liabilities	$ 12,886.39	$ 1,987,534.92	$ 1,979,672.69	$ 20,748.62

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

Issue	Date Of Issue	Amount Of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2010	Retired	Balance June 30, 2011
School bonds	12/15/03	$ 2,760,000.00	01/15/12	$ 120,000.00	4.000%			
			01/15/13	125,000.00	4.000%			
			01/15/14	130,000.00	4.000%			
			01/15/15	135,000.00	4.000%			
			01/15/16	140,000.00	4.000%			
			01/15/17	145,000.00	4.000%			
			01/15/18	155,000.00	4.000%			
			01/15/19	160,000.00	4.125%			
			01/15/20	165,000.00	4.250%			
			01/15/21	175,000.00	4.300%			
			01/15/22	180,000.00	4.375%			
			01/15/23	190,000.00	4.400%			
			01/15/24	181,000.00	4.500%	$ 2,116,000.00	$ 115,000.00	$ 2,001,000.00
						$ 2,116,000.00	$ 115,000.00	$ 2,001,000.00

BOROUGH OF WENONAH SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligation Under Capital Leases
June 30, 2011

Purpose	Date of Lease	Term of Lease	Amount of Original Lease Principal	Amount of Original Lease Interest	Interest Rate	Balance July 1, 2010	Retired	Balance June 30, 2011
Apple computers	06/25/08	3 Years	$ 53,596.00	$ 3,494.42	6.67%	$ 17,840.55	$ 17,840.55	$ 0.00
Apple computers	11/02/09	3 Years	23,376.00	842.85	3.65%	15,303.05	7,514.39	7,788.66
						$ 33,143.60	$ 25,354.94	$ 7,788.66

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Budget
REVENUES:					
Local sources:					
Local tax levy	$ 188,118.00	$ 0.00	$ 188,118.00	$ 188,118.00	$ 0.00
Total revenues	188,118.00	0.00	188,118.00	188,118.00	0.00
EXPENDITURES:					
Regular debt service:					
Interest	88,120.00	0.00	88,120.00	88,117.50	2.50
Redemption of principal	100,000.00	15,000.00	115,000.00	115,000.00	0.00
Total regular debt service	188,120.00	15,000.00	203,120.00	203,117.50	2.50
Total expenditures	188,120.00	15,000.00	203,120.00	203,117.50	2.50
Excess (deficiency) of revenues over (under) expenditures	(2.00)	(15,000.00)	(15,002.00)	(14,999.50)	(2.50)
Other financing sources (uses):					
Transfers in	0.00	15,000.00	15,000.00	15,000.00	0.00
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2.00)	0.00	(2.00)	0.50	(2.50)
Fund balance - July 1	2.49	0.00	2.49	2.49	(1.00)
Fund balance - June 30	$ 0.49	$ 0.00	$ 0.49	$ 2.99	$ (3.50)

Statistical Section

Financial Trends - These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity - These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity - These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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

EXHIBIT J-1

BOROUGH OF WENONAH SCHOOL DISTRICT
Net Assets By Component
Last Eight Fiscal Years
Accrual Basis of Accounting

	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:								
Invested in capital assets, net of related debt	$ 1,388,173.34	$ 1,354,533.80	$ 1,360,442.94	$ 1,610,409.00	$ 1,505,409.00	$ 1,505,696.00	$ 1,417,857.00	$ 1,076,777.00
Restricted	49,246.61	146,824.42	155,896.98	155,894.45	(73,913.00)	77,528.00	202,795.00	394,233.00
Unrestricted	(19,706.86)	(85,773.62)	5,360.31	60,759.04	266,022.00	142,603.00	256,502.00	410,260.00
Total governmental activities net assets	$ 1,417,713.09	$ 1,415,584.60	$ 1,521,700.23	$ 1,827,062.49	$ 1,697,518.00	$ 1,725,827.00	$ 1,877,154.00	$ 1,881,270.00
Business-type activities:								
Invested in capital assets, net of related debt	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities net assets	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
District-wide activities:								
Invested in capital assets, net of related debt	$ 1,388,173.34	$ 1,354,533.80	$ 1,360,442.94	$ 1,610,409.00	$ 1,505,409.00	$ 1,505,696.00	$ 1,417,857.00	$ 1,076,777.00
Restricted	49,246.61	146,824.42	155,896.98	155,894.45	(73,913.00)	77,528.00	202,795.00	394,233.00
Unrestricted	(19,706.86)	(85,773.62)	5,360.31	60,759.04	266,022.00	142,603.00	256,502.00	0.00
Total district-wide activities net assets	$ 1,417,713.09	$ 1,415,584.60	$ 1,521,700.23	$ 1,827,062.49	$ 1,697,518.00	$ 1,725,827.00	$ 1,877,154.00	$ 1,471,010.00

BOROUGH OF WENONAH SCHOOL DISTRICT
Changes In Net Assets
Last Eight Fiscal Years
Accrual Basis of Accounting

	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:								
Governmental activities:								
Instruction:								
Regular	$ 1,226,087.57	$ 1,247,505.25	$ 1,222,183.39	$ 1,134,769.22	$ 1,093,539.00	$ 1,048,668.00	$ 1,031,294.00	$ 913,762.00
Special education	121,735.51	128,681.45	120,424.76	117,661.73	121,993.00	117,083.00	111,553.00	109,387.00
Other special instruction	74,895.23	55,684.70	44,628.77	49,667.02	45,292.00	43,525.00	33,809.00	35,617.00
Other instruction	8,743.71	12,684.00	10,064.80	10,032.20	0.00	0.00	0.00	0.00
Support services:								
Tuition	6,311.34	54,856.14	50,438.00	26,115.06	44,545.00	52,569.00	61,381.00	30,699.00
Student and instruction related services	395,171.78	396,436.38	313,948.84	267,796.77	265,336.00	222,485.00	213,143.00	206,050.00
School administrative services	16,991.27	20,212.04	16,031.09	13,171.79	9,096.00	12,800.00	7,177.00	42,843.00
General and business administrative services	165,992.07	178,134.16	172,298.93	183,976.37	182,948.00	182,510.00	160,356.00	129,894.00
Central services	49,939.86	57,638.72	55,690.78	59,514.90	62,521.00	62,241.00	59,271.00	0.00
Plant operations and maintenance	205,279.51	211,474.88	257,463.00	250,252.79	207,903.00	192,700.00	170,734.00	209,491.00
Pupil transportation	55,026.37	64,220.23	51,086.10	29,656.00	82,267.00	71,708.00	72,597.00	39,607.00
Unallocated benefits	558,458.11	533,822.13	475,657.65	529,540.63	519,869.00	415,887.00	380,193.00	402,500.00
Interest on long-term debt	98,616.16	90,500.84	98,734.16	95,050.69	104,918.00	108,918.00	122,327.00	61,164.00
Unallocated depreciation	133,397.40	140,707.40	143,140.20	0.00	99,959.00	99,959.00	23,529.00	507,182.00
Total governmental activities expenses	3,116,645.89	3,192,558.32	3,031,790.47	2,767,205.17	2,840,186.00	2,631,053.00	2,447,364.00	2,688,196.00
Business-type activities:								
Latchkey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district expenses	$ 3,116,645.89	$ 3,192,558.32	$ 3,031,790.47	$ 2,767,205.17	$ 2,840,186.00	$ 2,631,053.00	$ 2,447,364.00	$ 2,688,196.00
Revenues:								
Governmental activities:								
Charges for services:								
Operating grants and contributions	$ 259,780.67	$ 303,730.90	$ 276,995.51	$ 305,826.08	$ 318,703.00	$ 238,995.00	$ 225,363.00	$ 196,958.00
Capital grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total governmental activities revenues	259,780.67	303,730.90	276,995.51	305,826.08	318,703.00	238,995.00	225,363.00	196,958.00

BOROUGH OF WENONAH SCHOOL DISTRICT
Changes In Net Assets
Last Eight Fiscal Years
Accrual Basis of Accounting

	2011	2010	2009	2008	2007	2006	2005	2004
Business-type activities:								
Charges for services:								
Latchkey	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Operating grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district revenues	$ 259,780.67	$ 303,730.90	$ 276,995.51	$ 305,826.08	$ 318,703.00	$ 238,995.00	$ 225,363.00	$ 196,958.00
Net (expenses)/revenues:								
Governmental activities	$ (2,856,865.22)	$ (2,888,827.42)	$ (2,754,794.96)	$ (2,461,379.09)	$ (2,521,483.00)	$ (2,392,058.00)	$ (2,222,001.00)	$ (2,491,238.00)
Business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide net expenses	$ (2,856,865.22)	$ (2,888,827.42)	$ (2,754,794.96)	$ (2,461,379.09)	$ (2,521,483.00)	$ (2,392,058.00)	$ (2,222,001.00)	$ (2,491,238.00)
General revenues and other changes in net assets:								
Governmental activities:								
Property taxes levied for general purposes, net	$ 2,254,431.00	$ 2,037,915.00	$ 1,988,210.00	$ 1,923,055.00	$ 1,861,111.00	$ 1,648,506.00	$ 1,537,749.00	$ 1,544,343.00
Taxes levied for debt service	188,118.00	202,518.00	201,718.00	205,918.00	204,917.00	208,918.00	219,819.00	0.00
Unrestricted grants and contributions	419,618.00	535,691.00	478,136.00	429,394.00	350,280.00	398,685.00	392,955.00	400,674.00
Federal and state aid restricted	0.00	0.00	0.00	0.00	53,747.00	19,113.00	4,537.00	1,162,834.00
Tuition	5,161.16	8,612.00	0.00	0.00	3,200.00	20,200.00	32,810.00	34,300.00
Investment earnings	685.97	1,302.95	4,036.27	11,950.04	14.00	11.00	5.00	2.00
Miscellaneous income	2,013.06	8,361.94	5,954.53	17,197.86	19,905.00	23,124.00	30,010.00	17,413.00
Fixed asset prior period adjustment	0.00	0.00	(230,856.00)	0.00	0.00	0.00	0.00	0.00
Compensated absences increase/decrease	(11,033.48)	(11,689.10)	2,233.90	(47,701.87)	0.00	0.00	0.00	0.00
Total governmental activities	2,858,993.71	2,782,711.79	2,449,432.70	2,539,813.03	2,493,174.00	2,318,557.00	2,217,885.00	3,159,566.00
Business-type activities:								
Investment earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide activities	$ 2,858,993.71	$ 2,782,711.79	$ 2,449,432.70	$ 2,539,813.03	$ 2,493,174.00	$ 2,318,557.00	$ 2,217,885.00	$ 3,159,566.00
Change in net assets:								
Governmental activities	$ 2,128.49	$ (106,115.63)	$ (305,362.26)	$ 78,433.94	$ (28,309.00)	$ (73,501.00)	$ (4,116.00)	$ 668,328.00
Business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide	$ 2,128.49	$ (106,115.63)	$ (305,362.26)	$ 78,433.94	$ (28,309.00)	$ (73,501.00)	$ (4,116.00)	$ 668,328.00

BOROUGH OF WENONAH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Eight Fiscal Years
Modified Accrual Basis of Accounting

	2011	2010	2009	2008	2007	2006	2005	2004
General fund:								
Reserved	$ 0.00	$ 86,481.34	$ 91,669.20	$ 107,089.00	$ 6,082.00	$ 178,369.00	$ 255,808.00	$ 363,606.00
Unreserved	0.00	7,885.44	93,232.13	133,426.27	219,164.00	90,475.00	100,000.00	100,000.00
Restricted	17.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unassigned	86,762.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total general fund	$ 86,780.16	$ 94,366.78	$ 184,901.33	$ 240,515.27	$ 225,246.00	$ 268,844.00	$ 355,808.00	$ 463,606.00
All other governmental funds:								
Unreserved, reported in:								
Capital projects fund	$ 0.00	$ 64,225.79	$ 64,225.79	$ 64,225.79	$ 64,227.00	$ 77,527.00	$ 190,252.00	$ 429,606.00
Debt service fund	0.00	2.49	1.99	1.49	0.00	1.00	1.00	2,509.00
Restricted for:								
Debt service fund	2.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assigned:								
Capital projects fund	49,226.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total all other governmental funds	$ 49,228.99	$ 64,228.28	$ 64,227.78	$ 64,227.28	$ 64,227.00	$ 77,528.00	$ 190,253.00	$ 432,115.00

Note: 2011 reflects the change to GASB 54.

BOROUGH OF WENONAH SCHOOL DISTRICT
Changes In Fund Balances - Governmental Funds
Last Eight Fiscal Years
Modified Accrual Basis of Accounting

	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:								
Tax levy	$ 2,442,549.00	$ 2,240,433.00	$ 2,189,928.00	$ 2,128,973.00	$ 2,066,028.00	$ 1,857,424.00	$ 1,757,568.00	$ 1,544,343.00
Tuition	5,161.16	8,612.00	0.00	0.00	3,200.00	20,200.00	32,810.00	34,300.00
Interest earnings	19.48	0.94	2.03	8.81	14.00	11.00	5.00	2.00
Miscellaneous	2,658.36	9,663.95	9,988.77	29,139.09	19,905.00	23,124.00	30,010.00	17,413.00
State sources	620,967.51	669,674.06	677,539.26	704,826.48	678,530.00	573,141.00	564,536.00	1,722,202.00
Federal sources	58,431.16	169,747.84	77,592.25	30,393.60	50,569.00	57,489.00	53,855.00	38,264.00
Total revenues	3,129,786.67	3,098,131.79	2,955,050.31	2,893,340.98	2,818,246.00	2,531,389.00	2,438,784.00	3,356,524.00
Expenditures:								
Instruction:								
Regular instruction	1,226,087.57	1,247,505.25	1,222,183.39	1,134,769.22	1,093,539.00	1,038,840.00	1,031,294.00	907,708.00
Special education instruction	121,735.51	128,681.45	120,424.76	117,661.73	121,993.00	116,533.00	111,553.00	107,406.00
Other special instruction	74,895.23	55,684.70	44,628.77	49,667.02	45,292.00	43,525.00	33,809.00	35,617.00
Other instruction	8,743.71	12,684.00	10,064.80	10,032.20	0.00	0.00	0.00	0.00
Support services:								
Tuition	6,311.34	54,856.14	50,438.00	26,115.06	44,545.00	52,569.00	61,381.00	30,699.00
Student and instruction related services	395,171.78	396,436.38	313,948.84	267,796.77	265,336.00	222,485.00	213,143.00	199,593.00
General administration	165,992.07	178,134.16	172,298.93	183,976.37	182,948.00	182,510.00	59,271.00	42,843.00
School administrative services	16,991.27	20,212.04	16,031.09	13,171.79	9,096.00	12,800.00	167,533.00	129,894.00
Central services	49,939.86	57,638.72	55,690.78	59,514.90	62,521.00	62,241.00	0.00	0.00
Plant operations and maintenance	205,279.51	211,474.88	257,463.00	250,252.79	207,903.00	190,665.00	170,734.00	209,491.00
Pupil transportation	55,026.37	64,220.23	51,086.10	29,656.00	82,267.00	71,708.00	72,597.00	39,607.00
Unallocated benefits	558,458.11	533,822.13	475,657.65	529,540.63	519,869.00	415,887.00	380,193.00	414,021.00
Capital outlay	64,643.94	48,174.26	72,626.14	0.00	13,300.00	112,725.00	264,609.00	3,469,582.00
Debt service:								
Principal	115,000.00	110,000.00	105,000.00	105,000.00	100,000.00	100,000.00	100,000.00	0.00
Interest and other charges	88,117.50	92,517.50	96,717.50	100,917.50	104,918.00	108,918.00	122,327.00	0.00
Total expenditures	3,152,393.77	3,212,041.84	3,064,259.75	2,878,071.98	2,853,527.00	2,731,406.00	2,788,444.00	5,586,461.00
Excess (deficiency) of revenues over (under) expenditures	(22,607.10)	(113,910.05)	(109,209.44)	15,269.00	(35,281.00)	(200,017.00)	(349,660.00)	(2,229,937.00)
Other financing sources (uses):								
Transfers in/out	15,020.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital leases (nonbudgeted)	0.00	23,376.00	53,596.00	0.00	0.00	0.00	0.00	0.00
Total other financing sources (uses)	15,020.98	23,376.00	53,596.00	0.00	0.00	0.00	0.00	0.00
Net change in fund balances	$ (7,586.12)	$ (90,534.05)	$ (55,613.44)	$ 15,269.00	$ (35,281.00)	$ (200,017.00)	$ (349,660.00)	$ (2,229,937.00)
Debt service as a percentage of noncapital expenditures	6.58%	6.40%	6.74%	7.15%	7.21%	7.98%	8.81%	0.00%

Note: Noncapital expenditures are total expenditures less capital outlay.
Central services and administrative information technology account classifications were added beginning with year end June 30, 2005.
Prior to June 30, 2005, central services and administrative information technology were combined in other support services as business and other support services.

Source: District records.

BOROUGH OF WENONAH SCHOOL DISTRICT
General Fund Other Local Revenue By Source
Last Eight Fiscal Years
Modified Accrual Basis of Accounting

Fiscal Year Ended June 30	Tuition	Interest Earnings	Rentals	Miscellaneous	Total
2011	$ 5,161.16	$ 664.78	$ 0.00	$ 2,013.06	$ 7,839.00
2010	8,612.00	1,302.95	3,905.47	4,456.47	18,276.89
2009	0.00	4,034.24	2,725.00	3,231.56	9,990.80
2008	0.00	11,941.23	2,750.00	14,447.86	29,139.09
2007	3,200.00	0.00	0.00	19,905.00	23,105.00
2006	20,200.00	0.00	0.00	23,124.00	43,324.00
2005	32,810.00	0.00	0.00	30,010.00	62,820.00
2004	34,300.00	0.00	0.00	14,904.00	49,204.00

Source: District records.

BOROUGH OF WENONAH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Seven Fiscal Years

Fiscal Year Ended June 30	Vacant Land	Residential	Farm - Regular	Farm - Qualified	Commercial	Industrial	Apartments	Total Assessed Value	Less: Tax Exempt Property	Public Utilities*	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate**
2011	$ 2,456,000.00	$ 288,484,000.00	$ 0.00	$ 0.00	$ 5,614,000.00	$ 0.00	$ 0.00	$ 296,554,000.00	$ 0.00	$ 287,077.00	$ 296,841,077.00	$ 280,496,538.00	$ 0.7890
2010	2,320,000.00	289,447,000.00	0.00	0.00	5,407,000.00	0.00	0.00	297,174,000.00	0.00	294,323.00	297,468,323.00	282,289,188.00	0.7450
2009	2,545,000.00	292,122,000.00	0.00	0.00	5,407,000.00	0.00	0.00	300,074,000.00	0.00	280,585.00	300,354,585.00	274,517,927.00	0.7190
2008	1,147,100.00	133,534,800.00	0.00	0.00	2,205,800.00	0.00	0.00	136,887,700.00	0.00	142,900.00	137,030,600.00	255,190,164.00	1.5310
2007	1,154,600.00	133,020,000.00	0.00	0.00	2,205,800.00	0.00	0.00	136,380,400.00	0.00	162,457.00	136,542,857.00	220,508,914.00	1.4370
2006	1,113,300.00	132,566,400.00	0.00	0.00	2,205,800.00	0.00	0.00	135,885,500.00	0.00	185,023.00	136,070,523.00	190,598,215.00	1.3290
2005	1,094,700.00	131,771,700.00	0.00	0.00	2,205,800.00	0.00	128,100.00	135,200,300.00	0.00	224,508.00	135,424,808.00	167,200,507.00	1.2190

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the county board of taxation requests treasury to order a reassessment.

Source: Municipal tax assessor.

*Taxable value of machinery, implements and equipment of telephone, telegraph and messenger system companies

**Tax rates are per $100.

BOROUGH OF WENONAH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Per $100 of Assessed Valuation
Last Ten Fiscal Years

Fiscal Year Ended June 30	District's Direct Rate			Overlapping Rates			
	Basic Rate*	General Obligation Debt Service**	(From J-6) Total Direct School Tax Rate	Regional High School	Municipality	County	Total Direct And Overlapping Tax Rate
2011	$ 0.7256	$ 0.0634	$ 0.7890	$ 0.6720	$ 0.6080	$ 0.5190	$ 2.5880
2010	0.6769	0.0681	0.7450	0.6550	0.5810	0.5180	2.4990
2009	0.6519	0.0672	0.7190	0.6050	0.5450	0.5040	2.3730
2008	1.3808	0.1503	1.5310	1.4030	1.0730	1.0270	5.0340
2007	1.2869	0.1501	1.4370	1.4100	0.9420	0.9550	4.7440
2006	1.1755	0.1535	1.3290	1.2510	0.8400	0.8820	4.3020
2005	1.0567	0.1623	1.2190	1.2090	0.7590	0.7700	3.9570
2004	1.1280	0.0000	1.1280	1.1310	0.6790	0.7090	3.6470
2003	1.1120	0.0000	1.1120	1.0350	0.6000	0.6710	3.4180
2002	1.0780	0.0000	1.0780	0.9900	0.5400	0.6590	3.2670

Source: Municipal Tax Collector.

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

*The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable. The Borough was reassessed for the current year.

**Rates for debt service are based on each year's requirements.

BOROUGH OF WENONAH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2011 Taxable Assessed Value	2011 Percentage Of Total District Net Assessed Value	2002 Taxable Assessed Value	2002 Percentage Of Total District Net Assessed Value
Taxpayer 1	$ 1,100,000	0.37%	$	
Taxpayer 2	1,050,000	0.35%		
Taxpayer 3	1,020,000	0.34%		
Taxpayer 4	975,000	0.33%	Not Available	
First Union National Bank	900,000	0.30%		
Taxpayer 5	870,000	0.29%		
Taxpayer 6	835,000	0.28%		
Taxpayer 7	820,000	0.28%		
Taxpayer 8	815,000	0.27%		
Taxpayer 9	810,000	0.27%		
	$ 9,195,000	3.08%	$ 0	0.00

Source: Municipal Tax Assessor.

BOROUGH OF WENONAH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Eight Fiscal Years

Fiscal Year Ended June 30	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of the Levy*		Collections In Subsequent Year
		Current Amount	Percentage Of Levy	
2011	$ 2,442,549.00	$ 2,442,549.00	100.00%	$ 0.00
2010	2,240,433.00	2,240,433.00	100.00%	0.00
2009	2,189,928.00	2,189,928.00	100.00%	0.00
2008	2,128,973.00	2,128,973.00	100.00%	0.00
2007	2,066,028.00	2,066,028.00	100.00%	0.00
2006	1,857,424.00	1,857,424.00	100.00%	0.00
2005	1,757,568.00	1,757,568.00	100.00%	0.00
2004	1,544,343.00	1,544,343.00	100.00%	0.00

Source: District records including the certificate and report of school taxes (A4F Form).

*School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

BOROUGH OF WENONAH SCHOOL DISTRICT
Ratios Of Outstanding Debt By Type
Last Eight Fiscal Years

Fiscal Year Ended June 30	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Leases	Total District	Percentage Of Personal Income*	Per Capita*
2011	$ 2,001,000.00	$ 7,788.66	$ 2,008,788.66	Not Available	$ Not Available
2010	2,116,000.00	33,143.60	2,149,143.60	2.30%	912
2009	2,226,000.00	34,565.86	2,260,565.86	2.46%	959
2008	2,331,000.00	0.00	2,331,000.00	2.63%	994
2007	2,436,000.00	0.00	2,436,000.00	2.87%	1,045
2006	2,536,000.00	0.00	2,536,000.00	3.14%	1,093
2005	2,636,000.00	0.00	2,636,000.00	3.42%	1,135
2004	2,736,000.00	0.00	2,736,000.00	3.77%	1,181

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

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

**Includes early retirement incentive plan (ERIP) refunding.

BOROUGH OF WENONAH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Eight Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Net General Bonded Debt Outstanding	Percentage Of Actual Taxable Value Of Property*	Per Capita**
2011	$ 2,001,000.00	$ 2,001,000.00	0.67%	$ Not Available
2010	2,116,000.00	2,116,000.00	0.71%	898
2009	2,226,000.00	2,226,000.00	0.74%	944
2008	2,331,000.00	2,331,000.00	1.70%	994
2007	2,436,000.00	2,436,000.00	1.78%	1,045
2006	2,536,000.00	2,536,000.00	1.86%	1,093
2005	2,636,000.00	2,636,000.00	1.94%	1,135
2004	2,736,000.00	2,736,000.00	2.02%	1,181

*See Exhibit J-6 for property tax data.

**Population data can be found in Exhibit J-14.

BOROUGH OF WENONAH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2010

	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share Of Overlapping Debt
Debt repaid with property taxes:			
Municipality - Borough of Wenonah	$ 1,259,592.00	100.00%	$ 1,259,592.00
Gloucester County general obligation debt	308,779,932.21	0.95%	2,923,444.27
Gateway regional high school	7,410,000.00	26.52%	1,965,103.58
Subtotal - overlapping debt			6,148,139.85
District's direct debt			2,116,000.00
Total direct and overlapping debt			$ 8,264,139.85

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

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

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

BOROUGH OF WENONAH SCHOOL DISTRICT
Legal Debt Margin Information
Last Eight Fiscal Years

Legal debt margin calculation for fiscal year 2011:	
Equalized valuation basis:	
2010	$ 276,018,243.00
2009	280,644,065.00
2008	284,592,185.00
	$ 841,254,493.00
Average equalized valuation of taxable property	$ 280,418,164.33
Debt limit (2.5% of average equalized value)*	$ 7,010,454.11
Total net debt applicable to limit	2,001,000.00
Legal debt margin	$ 5,009,454.11

	2011	2010	2009	2008	2007	2006	2005	2004
Debt limit	$ 7,010,454.11	$ 6,977,705.85	$ 6,755,398.85	$ 6,212,279.73	$ 5,522,623.00	$ 4,788,213.00	$ 4,225,908.00	$ 3,839,495.00
Total net debt applicable to limit	2,001,000.00	2,116,000.00	2,226,000.00	2,331,000.00	2,436,000.00	2,536,000.00	2,636,000.00	2,736,000.00
Legal debt margin	$ 5,009,454.11	$ 4,861,705.85	$ 4,529,398.85	$ 3,881,279.73	$ 3,086,623.00	$ 2,252,213.00	$ 1,589,908.00	$ 1,103,495.00
Total net debt applicable to the limit as a percentage of debt limit	28.54%	30.33%	32.95%	37.52%	44.11%	52.96%	62.38%	71.26%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey, Department of Treasury, Division of Taxation.

*Limit set by N.J.S.A. 18A:24-19 for a K-6 district; other percentage limits would be applicable for other district types.

BOROUGH OF WENONAH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population*	Personal Income**	Per Capita Personal Income***	Unemployment Rate****
2010	Not Available	$ Not Available	$ Not Available	9.20%
2009	2,357	93,315,987.00	39,591.00	8.70%
2008	2,358	92,056,320.00	39,040.00	5.90%
2007	2,344	88,495,376.00	37,754.00	4.60%
2006	2,332	84,887,132.00	36,401.00	5.00%
2005	2,321	80,882,172.00	34,373.00	4.60%
2004	2,322	77,122,506.00	32,888.00	5.10%
2003	2,316	72,530,172.00	31,317.00	0.00%
2002	2,306	70,854,156.00	30,726.00	0.00%
2001	2,304	69,341,184.00	30,096.00	0.00%

*Population information provided by the New Jersey Department of Labor and Workforce Development.

**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 U.S. Bureau of Economic Analysis.

****Unemployment data provided by the New Jersey Department of Labor and Workforce Development.

BOROUGH OF WENONAH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

	2011		2002	
Employer	Employees	Percentage Of Total Municipal Employment	Employees	Percentage Of Total Municipal Employment
Underwood Memorial Hospital	1,825	N/A		
Washington Township School District	1,648	N/A		
County of Gloucester	1,500	N/A		
Rowan University	1,300	N/A		
Kennedy Hospital	1,200	N/A	Not Available	
Missa Bay, L.L.C.	950	N/A		
Monroe Township School District	741	N/A		
U.S. Foodservices	725	N/A		
DGI Services	600	N/A		
Delaware Valley Wholesale Florist	500	N/A		
Total	10,989	0.00%	0	0.000%

Source: Gloucester County Office of Economic Development and Employer Directly.

Note: The information provided is for the County of Gloucester. Information at the municipal level is not available.

N/A - Information not available

BOROUGH OF WENONAH SCHOOL DISTRICT
Full-Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction:										
Regular	19.9	20.4	20.4	20.4	17.0	18.6	18.6	18.4	18.0	17.9
Special education	5.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support services:										
Student and instruction related services	4.9	7.8	7.8	7.8	1.1	1.1	1.1	1.1	1.1	0.5
Central services	2.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Plant operations and maintenance	2.6	2.0	2.3	2.3	0.0	0.0	0.0	0.0	0.0	0.0
Total	35.7	34.2	34.5	34.5	22.1	23.7	23.7	23.5	23.1	22.4

Source: District personnel records.

BOROUGH OF WENONAH SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures*	Cost Per Pupil	Percentage Change	Teaching Staff**	Pupil/Teacher Ratio Elementary	Average Daily Enrollment***	Average Daily Attendance***	Percentage Change In Average Daily Enrollment	Student Attendance Percentage
2011	253	$ 2,949,276.27	$ 11,657	-2.00%	21.9	11.55:1	250.3	241.1	0.40%	96.32%
2010	253	3,009,524.34	11,895	2.23%	22.4	11.29:1	249.3	239.7	1.18%	96.15%
2009	246	2,862,542.25	11,636	7.12%	22.4	10.98:1	246.4	236.2	0.69%	95.86%
2008	246	2,672,154.48	10,862	0.81%	22.4	10.98:1	244.7	235.5	7.18%	96.24%
2007	234	2,521,483.00	10,776	9.46%	19.0	12.32:1	228.3	220.1	-2.48%	96.41%
2006	243	2,392,058.00	9,844	3.22%	20.6	11.80:1	234.1	224.7	3.63%	95.98%
2005	233	2,222,001.00	9,536	-5.85%	20.6	11.31:1	225.9	217.0	10.20%	96.06%
2004	209	2,117,056.00	10,129	2.64%	20.4	10.25:1	205.0	198.0	4.59%	96.59%
2003	202	1,993,596.00	9,869	2.72%	20.0	10.10:1	196.0	189.0	1.77%	96.43%
2002	198	1,902,441.00	9,608	4.85%	19.9	9.95:1	192.6	186.2	-1.88%	96.68%

Source: District's records.

Note: Enrollment based on annual October district count.

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

**Teaching staff includes only full-time equivalents of certified staff.

***Average daily enrollment and average daily attendance are obtained from the school register summary.

BOROUGH OF WENONAH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
District buildings:										
Elementary:										
Wenonah Elementary School (N/A):										
Square feet	41,825	41,825	41,825	41,825	41,825	41,825	41,825	41,825	Not Available	Not Available
Capacity (students)	371	371	371	371	371	371	371	371	315	315
Enrollment	253	253	246	246	234	243	233	209	202	198

Number of schools at June 30, 2011:
Elementary = 1

Source: District facilities office.

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

BOROUGH OF WENONAH SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

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

School Facilities*	Project Number	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Wenonah Elementary School	N/A	$ 18,867.20	$ 14,922.90	$ 57,525.86	$ 50,396.76	$ 50,601.00	$ 47,535.00	$ 42,929.00	$ 42,152.00	$ 40,403.00	$ 27,109.00
Total school facilities		18,867.20	14,922.90	57,525.86	50,396.76	50,601.00	47,535.00	42,929.00	42,152.00	40,403.00	27,109.00
Grand total		$ 18,867.20	$ 14,922.90	$ 57,525.86	$ 50,396.76	$ 50,601.00	$ 47,535.00	$ 42,929.00	$ 42,152.00	$ 40,403.00	$ 27,109.00

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

Source: District records.

BOROUGH OF WENONAH SCHOOL DISTRICT
Insurance Schedule
June 30, 2011
Unaudited

	Coverage	GCSSDJIF Self Insured Retention	Deductible
School package policy - Gloucester, Cumberland, Salem School Districts Joint Insurance Fund*:			
Property - blanket building and contents	$ 150,000,000.00	$ 200,000.00	$ 500.00
Property valuation:			
Buildings and contents	Replacement Cost	N/A	N/A
Contractors equipment	Actual Cash Value	N/A	N/A
Automobiles	Actual Cash Value	N/A	N/A
General automobile liability	10,000,000.00	150,000.00	None
Boiler and machinery	125,000,000.00	None	1,000.00
Crime	500,000.00	200,000.00	500.00
Educator's legal liability	10,000,000.00	100,000.00	None
Worker's compensation	Statutory	250,000.00	None
Public employees' faithful performance blanket position bond - Ohio Casualty Insurance:			
Board secretary/business administrator	10,000.00	-	N/A
Treasurer of school monies	130,000.00	-	N/A

* Excess carriers involved:

Property, crime, general liability, automobile liability, workers' compensation	SPELLJIF, Selective Ins. Co. of America, Axis Surplus Insurance Company, United National Insurance Company, Max Specialty Insurance Company, Alliance Global Risk US Insurance Company, RSUI Indemnity Company
General liability and automobile liability	SPELLJIF, Selective Ins. Co. of America
Workers compensation	SPELLJIF, Selective Ins. Co. of America
Educator's legal liability	SPELLJIF, Selective Ins. Co. of America

Group purchase of primary insurance coverage carrier array:

Boiler and machinery	Travelers Insurance Company

Source: District records.

Single Audit Section

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

PCPS
THE AICPA ALLIANCE FOR CPA FIRMS

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*

(No Material Weaknesses Identified, No Significant Deficiencies Identified, No Reportable Instances of Noncompliance or Other Matters Identified)

Honorable President and
Members of the Board of Education
Borough of Wenonah School District
County of Gloucester
Wenonah, New Jersey

I have audited the financial statements of the Board of Education of the Borough of Wenonah School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued my report thereon dated November 1, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board of Education of the Borough of Wenonah School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Board of Education of the Borough of Wenonah School District's financial statements that is more than inconsequential will not be prevented or detected by the Board of Education of the Borough of Wenonah School District's internal control.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Board of Education of the Borough of Wenonah School District's internal control.

My 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 significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. I noted certain matters that I reported to the Board of Education of the Borough of Wenonah School District in a separate report entitled Auditor's Management Report On Administrative Findings - Financial, Compliance, and Performance dated November 1, 2011.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education of the Borough of Wenonah School District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. I noted certain matters that I reported to the Board of Education of the Borough of Wenonah School District in a separate report entitled Auditor's Management Report on Administrative Findings - Financial, Compliance, and Performance dated November 1, 2011.

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP

William H. Buckley, III
Licensed Public School Accountant No. 86

November 1, 2011

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

PCPS
THE AICPA ALLIANCE FOR CPA FIRMS

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

(Unqualified Opinion on Compliance; No Material Weaknesses Or Significant Deficiencies in Internal Control Over Compliance Identified)

Honorable President and
Members of the Board of Education
Borough of Wenonah School District
County of Gloucester
Wenonah, New Jersey

Compliance

I have audited the compliance of the Board of Education of the Borough of Wenonah School District, County of Gloucester, State of New Jersey with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the fiscal year ended June 30, 2011. The Board of Education of the Borough of Wenonah School District's major 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 state programs is the responsibility of the Board of Education of the Borough of Wenonah School District's management. My responsibility is to express an opinion on the Board of Education of the Borough of Wenonah School District's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance and Regulatory Compliance, 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 Letter 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 I 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 state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Borough of Wenonah School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Board of Education of the Borough of Wenonah School District's compliance with those requirements.

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

Internal Control Over Compliance

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

A control deficiency in internal control over compliance 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 noncompliance with a type of compliance requirement of a state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board of Education of the Borough of Wenonah School District's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the Board of Education of the Borough of Wenonah School District's internal control.

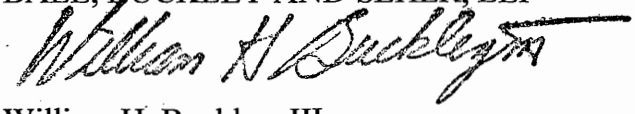
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the Board of Education of the Borough of Wenonah School District's internal control.

My consideration of internal control over compliance 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 significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. The Board of Education of the Borough of Wenonah School District's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit the Board of Education of the Borough of Wenonah School District's response and, accordingly, I express no opinion on it.

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP



William H. Buckley, III
Licensed Public School Accountant No. 86

November 1, 2011

SCHEDULE A

BOROUGH OF WENONAH 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	Grant Period	Award Amount	Balance at June 30, 2010	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2011 Accounts Receivable	Balance at June 30, 2011 Deferred Revenue	Balance at June 30, 2011 Due to Grantor
U.S. Department of Education													
Passed-Through State Department of Education:													
General Fund:													
ARRA - ESF	84.394	N/A	07/01/09-06/30/10	$ 64,825.00	$ (6,031.67)	$ 0.00	$ 6,031.67	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
ARRA - GSF	84.397	N/A	07/01/09-06/30/10	2,509.00	(233.25)	0.00	233.25	0.00	0.00	0.00	0.00	0.00	0.00
Total General Fund					(6,264.92)	0.00	6,264.92	0.00	0.00	0.00	0.00	0.00	0.00
U.S. Department of Education													
Passed-Through State Department of Education:													
Special Revenue Fund:													
Title II Part A	84.010	NCLB559011	09/01/10-08/31/11	3,585.00	0.00	0.00	0.00	3,585.00	0.00	0.00	(3,585.00)	0.00	0.00
Title II Part A	84.010	NCLB559010	09/01/09-08/31/10	3,531.00	(3,500.00)	0.00	0.00	31.00	0.00	0.00	(3,531.00)	0.00	0.00
Title IV Drug free schools	84.186	NCLB559010	09/01/09-08/31/10	351.00	(307.47)	0.00	0.00	43.53	0.00	0.00	(351.00)	0.00	0.00
Title IV Drug free schools	84.186	NCLB559009	09/01/08-08/31/09	356.00	0.00	0.00	251.00	251.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, basic	84.027	IDEA559011	09/01/10-08/31/11	49,627.00	0.00	0.00	0.00	49,627.00	0.00	0.00	(49,627.00)	0.00	0.00
I.D.E.A. Part B, basic	84.027	IDEA559010	09/01/09-08/31/10	48,272.00	(3,644.00)	0.00	3,644.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, basic	84.027	IDEA559009	09/01/08-08/31/09	48,691.00	(24,003.00)	0.00	24,003.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, preschool	84.027	IDEA559011	09/01/10-08/31/11	3,405.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, basic regular - ARRA	84.391	ARRA559010	09/01/09-08/31/11	50,097.00	(12,950.37)	0.00	0.00	3,080.63	0.00	0.00	(16,031.00)	0.00	0.00
I.D.E.A. Part B, preschool - ARRA	84.391	ARRA559010	09/01/09-08/31/11	1,813.00	0.00	0.00	0.00	1,813.00	0.00	0.00	(1,813.00)	0.00	0.00
Total Special Revenue Fund					(44,404.84)	0.00	27,898.00	58,431.16	0.00	0.00	(74,938.00)	0.00	0.00
Total U.S. Department of Education					(50,669.76)	0.00	34,162.92	58,431.16	0.00	0.00	(74,938.00)	0.00	0.00
Total federal financial awards					$ (50,669.76)	$ 0.00	$ 34,162.92	$ 58,431.16	$ 0.00	$ 0.00	$ (74,938.00)	$ 0.00	$ 0.00

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

BOROUGH OF WENONAH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2010	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2011 (Accounts Receivable)	Balance at June 30, 2011 Deferred Revenue	Balance at June 30, 2011 Due to Grantor	Memo Budgetary Receivable	Memo Cumulative Total Expenditures
General fund:													
Equalization aid	11-495-034-5120-078	07/01/10-06/30/11	$ 272,420.00	$ 0.00	$ 0.00	$ 248,267.54	$ 272,420.00	$ 0.00	$ (24,152.46)	$ 0.00	$ 0.00	$ 24,152.46	$ 272,420.00
Equalization aid	10-495-034-5120-078	07/01/09-06/30/10	303,767.00	(28,264.06)	0.00	28,264.06	0.00	0.00	0.00	0.00	0.00	0.00	303,767.00
Transportation aid	10-495-034-5120-014	07/01/09-06/30/10	14,120.00	(1,313.63)	0.00	1,313.63	0.00	0.00	0.00	0.00	0.00	0.00	14,120.00
Special education categorical aid	11-495-034-5120-089	07/01/10-06/30/11	131,083.00	0.00	0.00	119,461.46	131,083.00	0.00	(11,621.54)	0.00	0.00	11,621.54	131,083.00
Special education categorical aid	10-495-034-5120-089	07/01/09-06/30/10	131,083.00	(12,196.33)	0.00	12,196.33	0.00	0.00	0.00	0.00	0.00	0.00	131,083.00
Security aid	10-495-034-5120-084	07/01/09-06/30/10	17,066.00	(1,588.06)	0.00	1,588.06	0.00	0.00	0.00	0.00	0.00	0.00	17,066.00
Reimbursed T.P.A.F. social security contributions	11-495-034-5095-004	07/01/10-06/30/11	102,302.51	0.00	0.00	97,223.90	102,302.51	0.00	(5,078.61)	0.00	0.00	5,078.61	102,302.51
Reimbursed T.P.A.F. social security contributions	10-495-034-5095-004	07/01/09-06/30/10	107,362.06	(5,013.20)	0.00	5,013.20	0.00	0.00	0.00	0.00	0.00	0.00	107,362.06
On-behalf T.P.A.F. pension contributions	11-495-034-5095-006	07/01/10-06/30/11	99,047.00	0.00	0.00	99,047.00	99,047.00	0.00	0.00	0.00	0.00	0.00	99,047.00
Reimbursement of nonpublic school transportation costs	-	07/01/10-06/30/11	2,262.00	0.00	0.00	0.00	2,262.00	0.00	(2,262.00)	0.00	0.00	2,262.00	2,262.00
Reimbursement of nonpublic school transportation costs	-	07/01/09-06/30/10	1,973.00	(1,973.00)	0.00	1,973.00	0.00	0.00	0.00	0.00	0.00	0.00	1,973.00
Total general fund				(50,348.28)	0.00	614,348.18	607,114.51	0.00	(43,114.61)	0.00	0.00	43,114.61	1,182,485.57
Total state financial assistance				$ (50,348.28)	$ 0.00	$ 614,348.18	$ 607,114.51	$ 0.00	$ (43,114.61)	$ 0.00	$ 0.00	$ 43,114.61	$ 1,182,485.57

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

BOROUGH OF WENONAH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2011

NOTE 1 - GENERAL

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

NOTE 2 - BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 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 for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $0.00 for the general fund and $0.00 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 fund and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General fund	$ -	$ 620,967.51	$ 620,967.51
Special revenue fund	58,431.16	-.	58,431.16
Total awards and financial assistance	$ 58,431.16	$ 620,967.51	$ 679,398.67

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 amount reported as TPAF pension contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2011. 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.

BOROUGH OF WENONAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified Opinion

Internal control over financial reporting:

1) Material weakness(es) identified? _____ yes __X__ no

2) Significant deficiencies identified? _____ yes __X__ none reported

Noncompliance material to basic financial statements noted? _____ yes __X__ no

Federal Awards - No Federal Single Audit Required

Internal Control over compliance:

1) Material weakness(es) identified? _____ yes _____ no

2) Significant deficiencies identified? _____ yes _____ none reported

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

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

Identification of major programs:

CFDA Numbers(s)	Name of Federal Program or Cluster

Dollar threshold used to distinguish between Type A and Type B programs? _____

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

BOROUGH OF WENONAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2011

Section I - Summary of Auditor's Results (Concluded)

State Awards

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000				
Auditee qualified as low-risk auditee?	X	yes		no	N/A
Type of auditor's report issued on compliance for major programs:	Unqualified Opinion				
Internal Control over major programs:					
1) Material weakness(es) identified?		yes	X	no	
2) Significant deficiencies identified that were not considered to be material weaknesses?		yes	X	none reported	
Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04?		yes	X	no	

Identification of major programs:

GMIS Numbers(s)	Name of State Program
11-495-034-5120-078	Equalization aid
11-495-034-5120-089	Special education categorical aid

BOROUGH OF WENONAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2011

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in a Circular A-133 audit. See paragraphs 13.15 and 13.35.

Finding 11-0

No Current Year Findings.

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

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

Federal and State Awards

Finding 11-0

No Current Year Findings or Questioned Costs.

BOROUGH OF WENONAH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
JUNE 30, 2011

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

Status of Prior Year Findings

Finding 10-0

There were no prior year audit findings.