WALDWICK BOARD OF EDUCATION

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Waldwick, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Waldwick Board of Education

Waldwick, New Jersey

For The Fiscal Year Ended June 30, 2010

Prepared by

Business Office

WALDWICK BOARD OF EDUCATION
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INTRODUCTORY SECTION

WALDWICK BOARD OF EDUCATION

JOHN GRIFFIN
SCHOOL BUSINESS ADMINISTRATOR/
BOARD SECRETARY

155 SUMMIT AVENUE
WALDWICK, NJ 07463
201-445-3340 EXT. 4109

October 19, 2010

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

Dear Board Members:

The comprehensive annual financial report of the Waldwick School District for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Waldwick Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 required supplementary information as well as the auditors' 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 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Waldwick School District is an independent reporting entity within the criteria adopted by the Governmental Accounts Standards Board (GASB) as established by NCGA. All funds of the District are included in this report. The Waldwick Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational and special education. The District completed the 2009-2010 fiscal year with an average daily enrollment of 1,583 students, which is the same as the previous year's enrollment. The following details the changes in the average daily student enrollment of the District over the last six years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2009-10	1,583	.1%
2008-09	1,582	0%
2007-08	1,582	.2%
2006-07	1,579	.4%
2005-06	1,573	3.70%
2004-05	1,517	1.2%

2) ECONOMIC CONDITION AND OUTLOOK: The Waldwick area is experiencing limited development and expansion which is expected to continue. The number of businesses relocating to the area is limited due to the amount of available space in Waldwick. This results in a flat tax base.

3) MAJOR INITIATIVES: The district continues its maintenance program at the High School and new doors were installed at the upstairs cafeteria entrance. At the Middle School, asbestos floor tiling was removed from four classrooms and new VCT tile was installed. All schools throughout the district had a considerable number of Smartboards installed including the associated electrical work required. The district is approaching Smartboards in almost every classroom. The rehabilitation of the fifth and sixth classroom buildings at the Traphagen campus has been completed on time and under budget. The 2010-2011 budget approved in April 2010 included funding for the rehabilitation of the seventh classroom building upgrade at Traphagen Elementary School. The district applied for New Jersey Schools Development Authority funding for 40% of the costs of this new project but unfortunately the State did not provide the funding.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

7) DEBT ADMINISTRATION: At June 30, 2010, the District's long-term debt issue is for $6,921,000 of general obligation bonds to provide funding for the school referendum.

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

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

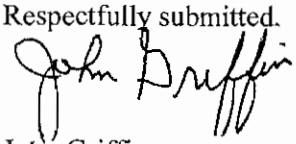
10) OTHER INFORMATION:

A. Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins, LLP, was selected by the Board's Finance Committee and approved by the full Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditors' report on the basic financial statements is included in the financial section of this report.

11) ACKNOWLEDGMENTS:

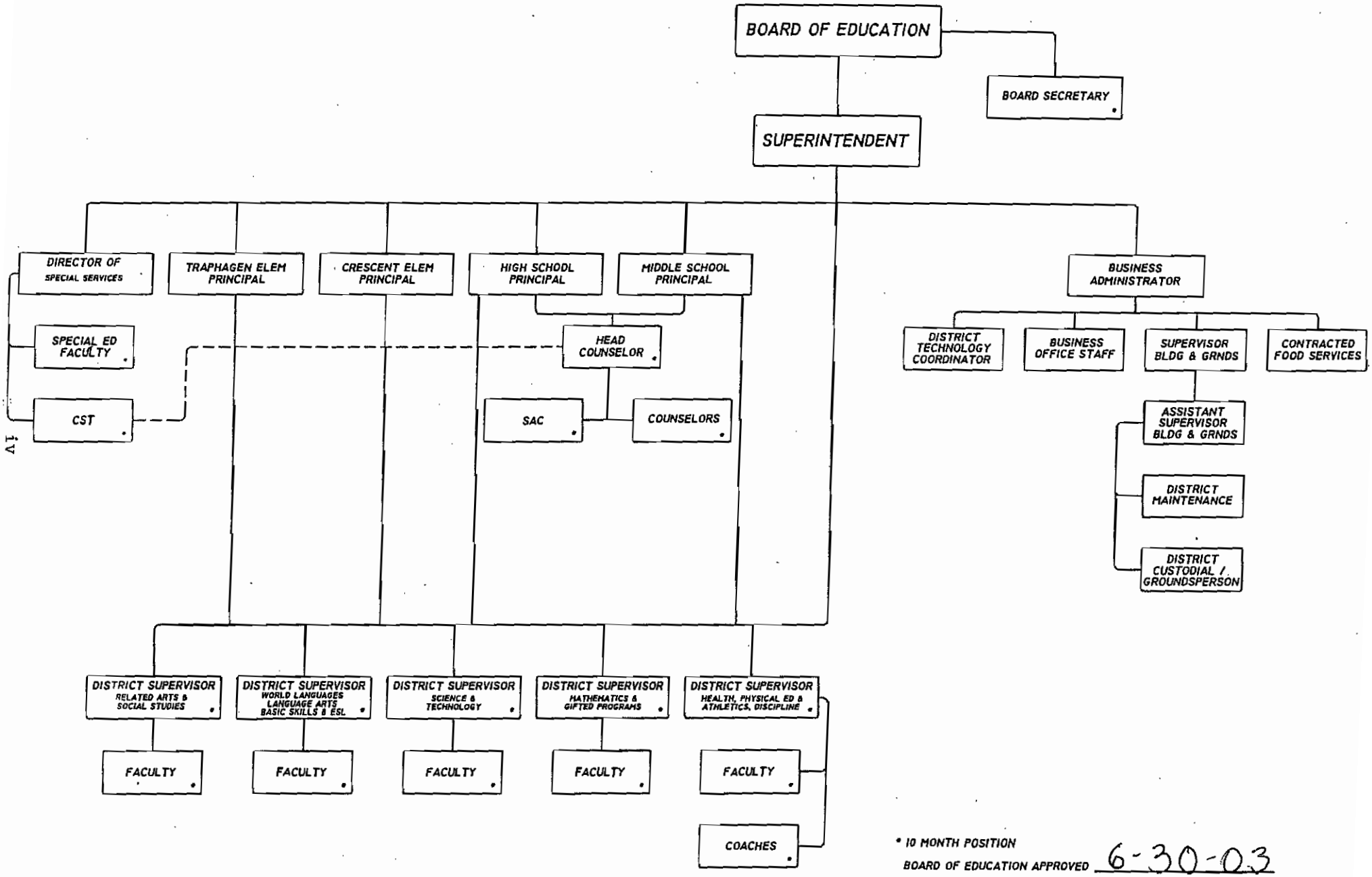
We would like to express our appreciation to the members of the Waldwick Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted.



John Griffin
School Business Administrator/Board Secretary

WALDWICK PUBLIC SCHOOL DISTRICT
ORGANIZATIONAL CHART



* 10 MONTH POSITION

BOARD OF EDUCATION APPROVED 6-30-03

WALDWICK BOARD OF EDUCATION
WALDWICK, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2010

Members of the Board of Education	**Term Expires**
Patricia Levine, President	2012
Dawn Monaco, Vice President	2013
Daniel Marro	2013
Dominic J. Novelli	2013
Joseph Orlak	2012
Edward Sandve	2011
Lisa Tesoriero	2011

Other Officials

Robert Penna Ed.D, Superintendent of Schools

John Griffin, School Business Administrator/Board Secretary

Richard L. Kerber, Treasurer

WALDWICK BOARD OF EDUCATION
WALDWICK, NEW JERSEY

CONSULTANTS AND ADVISORS

Audit Firm

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17-17 Route 208
Fair Lawn, NJ 07410

Attorney

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Schwartz Simon Edelstein Celso & Zitomer
44 Whippany Road
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Official Depository

Commerce Bank
63 W. Allendale Ave.
Allendale, NJ 07401

Architect

Dicara/Rubino
30 Galesi Drive, West Wing
Wayne, NJ 07470

FINANCIAL SECTION

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GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH KOZAK, CPA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Trustees
Waldwick Board of Education
Waldwick, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Waldwick Board of Education as of and for the fiscal year ended June 30, 2010, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Waldwick Board of Education as of June 30, 2010, 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, we have also issued our report dated October 19, 2010 on our consideration of the Waldwick Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Waldwick Board of Education's basic financial statements. The accompanying introductory section, combining fund financial statements, financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, 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", and are not a required part of the basic financial statements. The combining fund financial statements and schedules of expenditures of federal awards and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 19, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

WALDWICK BOARD OF EDUCATION
WALDWICK, NEW JERSEY

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

This discussion and analysis of the Waldwick School District's financial performance provides an overview of its financial activities for the fiscal year ended June 30, 2010. The intent of this is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- District-Wide - Overall revenues were $28,988,409. General revenues accounted for $24,122,029 or 83 percent of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for $4,866,380 or 17 percent of total revenues of $28,988,409.

- District-Wide - The School District had $27,211,759 in expenses; only $4,866,380 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $24,122,029 were adequate to provide for these programs.

- Fund Financials - As of the close of the current fiscal year, the Waldwick Board of Education's governmental funds reported combined ending fund balances of $2,207,671 an increase of $616,424 in comparison with the prior year.

- Fund Financials - At the end of June 30, 2010, unreserved/undesignated fund balance for the General Fund was $194,902, an increase of $23,712 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the district-wide financial statements, fund financial statements and notes to the financial statements.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Waldwick Board of Education's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the Waldwick Board of Education, reporting the Waldwick Board of Education's operation in more detail than the district-wide statements.

    - The governmental fund statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.

    - Proprietary fund statements offer short and long-term financial information about the activities the Waldwick Board of Education operates like a business.

    - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

Table A-1 summarizes the major features of the Waldwick Board of Education's financial statements, including the portion of the Waldwick Board of Education's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Table A-1 Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance and food service	Activities the district operates similar to private businesses
Required financial statements	Statements of Net Assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenses, and Changes in Fund Net Assets and Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-wide Statements

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

The *statement of net assets* presents information on all of the Waldwick Board of Education's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, when assessing the overall health of the District, you need to consider additional non-financial factors, such as changes in the District's property tax base and the condition of the school buildings and other facilities.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.*

District-wide Statements (Continued)

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, maintenance and administration services. Property taxes and state aids finance most of these activities.

- *Business-type activities*- The District charges fees to customers to help it cover the costs of the District's Food Service Fund.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.

- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

Governmental funds. The District's basic services are included in the governmental funds, which generally focus on near-term inflows and outflows of spendable resources and the balances of spendable resources at year-end. Consequently, the governmental fund statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide a reconciliation at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund, Special Revenue Fund and Debt Service Fund.

Fund Financial Statements (Continued)

Proprietary Funds. The District maintains one type of Proprietary Fund, an Enterprise Fund, which is used to report the activity of the Food Service Fund. Proprietary Funds provide the same type of information as the district-wide financial statements and is presented as business-type activities in the district-wide financial statements.

Fiduciary Funds. Fiduciary Funds are used to account for resources held for the benefit of parties outside the government, such as the Payroll Agency Fund, Unemployment Trust Fund, Scholarship Funds and the Student Activity Funds. Fiduciary Funds are *not* reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

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

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE WALDWICK BOARD OF EDUCATION AS A WHOLE

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

Table A-2 provides a summary of the school district's net assets for fiscal years 2010 and 2009. For 2010 and 2009 net assets were $10,801,117 and $9,024,467 respectively.

By far the largest portion of the District's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide regular and special education, transportation, maintenance and administration services. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Management's Discussion and Analysis (continued)
For the Fiscal Year Ended June 30, 2010

Table A-2
Statement of Net Assets
As of June 30, 2010 and 2009

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and Other Assets	$ 2,567,120	$ 2,445,851	$ 21,344	$ 14,373	$ 2,588,464	$ 2,460,224
Capital Assets	15,855,981	15,176,725	3,495	4,086	15,859,476	15,180,811
Total Assets	18,423,101	17,622,576	24,839	18,459	18,447,940	17,641,035
Current Liabilities	399,529	895,559	268		399,797	895,559
Non-Current Liabilities	7,247,026	7,721,009	-	-	7,247,026	7,721,009
Total Liabilities	7,646,555	8,616,568	268	-	7,646,823	8,616,568
Net Assets:						
Invested in Capital Assets, Net of Related Debt	8,979,074	7,913,210	3,495	4,086	8,982,569	7,917,296
Restricted	451,172	296,460	-	-	451,172	296,460
Unrestricted	1,346,300	796,338	21,076	14,373	1,367,376	810,711
Total Net Assets	$ 10,776,546	$ 9,006,008	$ 24,571	$ 18,459	$ 10,801,117	$ 9,024,467

Management's Discussion and Analysis (continued)
For the Fiscal Year Ended June 30, 2010

Governmental activities. Governmental activities for 2010 increased the District's net assets by $1,770,538. Key elements of this increase are as follows:

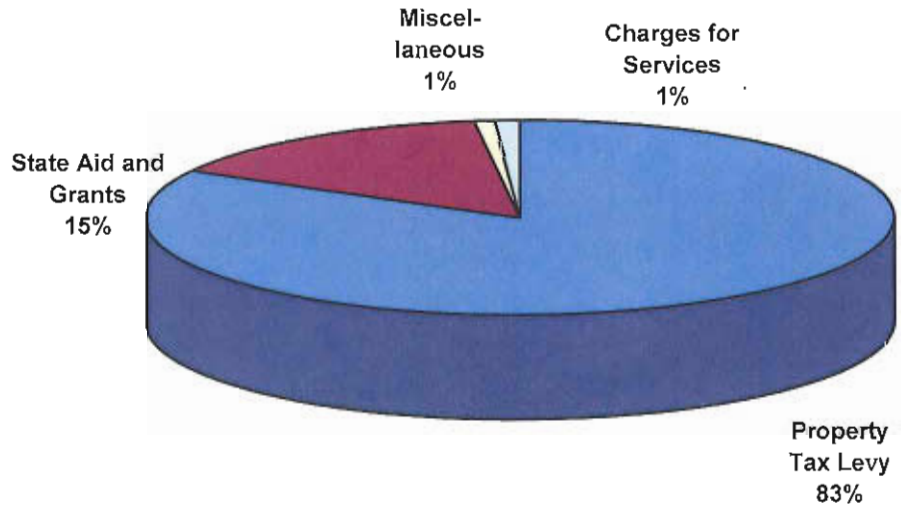
Table A-3
Changes in Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	Governmental Activities		Business-Type Activities		Total	
Revenues	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Program Revenues						
Charges for Services	$ 60,068	$ 133,202	$ 258,302	$ 287,683	$ 318,370	$ 420,885
Operating Grants and Contributions	4,546,317	3,365,029	1,693	2,796	4,548,010	3,367,825
General Revenues						
Property Taxes	23,911,665	22,905,687			23,911,665	22,905,687
Other	210,364	331,800	-	-	210,364	331,800
Total Revenues	28,728,414	26,735,718	259,995	290,479	28,988,409	27,026,197
Expenses						
Instruetion						
Regular	10,462,871	10,398,420			10,462,871	10,398,420
Speeial Education	5,359,297	5,204,688			5,359,297	5,204,688
Other Instruction	833,081	903,437			833,081	903,437
School Sponsored Activities and Ath.	749,276	699,609			749,276	699,609
Support Services						
Student and Instruction Related Serv.	2,777,747	2,633,227			2,777,747	2,633,227
Health Services	329,014	314,932			329,014	314,932
Educational Media/School Library	286,308	260,573			286,308	260,573
General Administrative Services	1,007,466	636,014			1,007,466	636,014
School Administrative Services	1,309,276	1,228,711			1,309,276	1,228,711
Plant Operations and Maintenance	2,168,813	2,142,604			2,168,813	2,142,604
Pupil Transportation	554,171	723,672			554,171	723,672
Central Services	825,522	732,690			825,522	732,690
Food Services			253,883	283,072	253,883	283,072
Interest on Long-Term Debt	295,034	309,505	-	-	295,034	309,505
Total Expenses	26,957,876	26,188,082	253,883	283,072	27,211,759	26,471,154
Change in Net Assets	1,770,538	547,636	6,112	7,407	1,776,650	555,043
Net Assets, Beginning of Year	9,006,008	8,458,372	18,459	11,052	9,024,467	8,469,424
Net Assets, End of Year	$ 10,776,546	$ 9,006,008	$ 24,571	$ 18,459	$ 10,801,117	$ 9,024,467

Governmental activities. The District's total governmental revenues were $28,728,414. The general revenues that included property taxes, interest, unrestricted state aid and miscellaneous revenue, amounted to $24,122,029 or 84% of total revenues. Funding from state and federal sources amounted to $4,546,317 or 15% and charges for services amounted to $60,068 or 1%.

The District's governmental expenses are predominantly related to instruction and support services. Instruction totaled $17,404,525 (65%), student support services totaled $9,258,317 (33%) and interest on long-term debt total $295,034 (2%) of total expenditures. (See Table A-3.)

Revenues by Source- Governmental Activities
For Fiscal Year 2010



Expenditures by Type- Governmental Activities
For Fiscal Year 2010

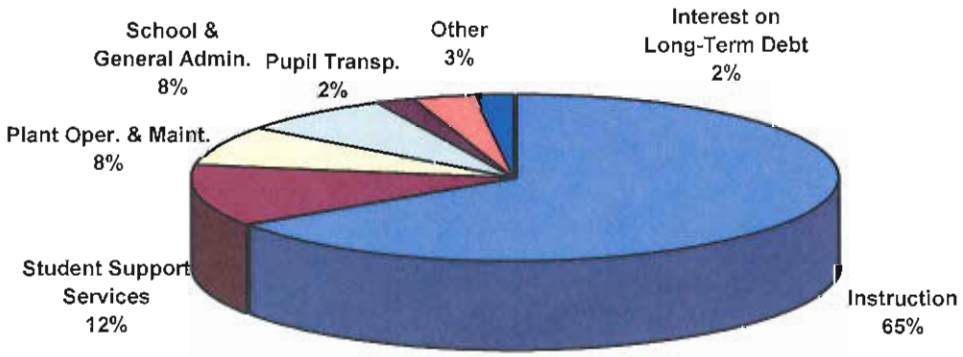


Table A-6
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2010 and 2009

Functions/Programs	Total Cost of Services 2010	Total Cost of Services 2009	Net Cost Services 2010	Net Cost Services 2009
Governmental Activitics				
Instruction				
Regular	$ 10,462,871	$ 10,398,420	$ 7,678,678	$ 9,422,606
Special Education	5,359,297	5,204,688	4,579,892	3,626,394
Other Instruction	833,081	903,437	623,489	704,563
School Sponsored Activities and Athletics	749,276	699,609	690,995	648,981
Support Services				
Student and Instruction Related Svcs.	2,777,747	2,633,227	2,420,073	2,385,191
Health Services	329,014	314,932	301,136	290,273
Educational Media/School Library	286,308	260,573	264,252	241,570
General Administrative Services	1,007,466	636,014	965,139	600,692
School Administrative Services	1,309,276	1,228,711	1,193,939	1,125,383
Plant Operations and Maintenance	2,168,813	2,142,604	2,085,796	2,035,236
Pupil Transportation	554,171	723,672	427,546	566,767
Central Services	825,522	732,690	825,522	732,690
Interest on Long-Term Debt	295,034	309,505	295,034	309,505
Total Governmental Activities	$ 26,957,876	$ 26,188,082	$ 22,351,491	$ 22,689,851

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2010 was $253,883. These costs were funded by operating grants and charges for services (Detailed on Table A-3). The operations resulted in an increase in net assets of $6,112.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

As the District completed the year, its governmental funds reported a combined fund balance of $2,207,671. In 2008-2009 the fund balance was $1,591,247.

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $28,728,414 and expenditures were $28,111,990.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the governmental fund revenues for the fiscal year ended June 30, 2010 and 2009.

	Year Ended June 30, 2010	Year Ended June 30, 2009	Amount of Increase (Decrease)	Percent Increase (Decrease)
Local Sources	$ 24,062,735	$ 23,176,598	$ 886,137	3.82%
State Sources	3,904,630	3,137,506	767,124	24.45%
Federal Sources	761,049	421,614	339,435	80.51%
Total Revenues	$ 28,728,414	$ 26,735,718	$ 1,992,696	7.45%

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2010 and 2009.

	Year Ended June 30, 2010	Year Ended June 30, 2009	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction	$ 16,990,799	$ 16,885,229	$ 105,570	0.63%
Undistributed	9,095,669	8,516,072	579,597	6.81%
Capital Outlay	1,339,613	1,531,120	(191,507)	-12.51%
Debt Service				
Principal	390,000	370,000	20,000	5.41%
Interest	295,909	310,159	(14,250)	-4.59%
Total Expenditures	$ 28,111,990	$ 27,612,580	$ 499,410	1.8%

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were related to:

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were related to:

- A decrease in State Aid revenue of $379,148 due to the State decreasing its funding of school districts as per executive order 14 during the middle of the school year.
- An increase in Extraordinary Aid of $280,588 due to increased Special Education costs and a new formula for reimbursement from the State.
- Additional textbook purchases made due to student needs and the revision of certain curriculum.
- A decrease in Special Education out of district placements from previous years resulted in expenditures for tuition that were less than budgeted.
- A decrease in Special Education students' needs in related services resulted in decreased expenditures.

General Fund Budgetary Highlights (Continued)

- A increase in health benefits expenditures due to the State rates being higher than anticipated in the SEHBP plan.
- An increase in expenditures for the purchase of a 24 passenger school bus.
- A decrease in transportation costs due to the use of part time/substitute bus drivers and using district staff to transport special education students therefore decreasing the need for contracted bus transportation.

Capital Assets. The Waldwick Board of Education's investment in capital assets for its governmental and business type activities as of June 30, 2010 amounts to $15,589,476 (net of accumulated depreciation). This investment in capital assets includes land improvements, buildings and building improvements, construction in progress and machinery and equipment.

Table A-5
Capital Assets
(net of accumulated depreciation) at June 30, 2010 and 2009

	Governmental Activities		Business-Type Aetivities		Total	
	2010	2009	2010	2009	2010	2009
Construction in Progress		$ 67,878				$ 67,878
Land Improvements	$ 1,412,399	1,403,199			$ 1,412,399	1,403,199
Buildings and Building Improvements	20,358,422	19,132,565			20,358,422	19,132,565
Machinery and Equipment	2,949,836	2,777,402	$ 46,108	$ 46,108	2,995,944	2,823,510
Total	24,720,657	23,381,044	46,108	46,108	24,766,765	23,427,152
Less: Accumulated Depreciation	8,864,676	8,204,319	42,613	42,022	8,907,289	8,246,341
Total	$ 15,855,981	$ 15,176,725	$ 3,495	$ 4,086	$ 15,859,476	$ 15,180,811

Additional information on Waldwick Board of Education's capital assets can be found in Note 3 of this report.

Debt Administration. As of June 30, 2010 the school district had long-term debt and outstanding long-term liabilities in the amount of $7,247,026 as stated in Table A-6.

Long-term Liabilities

Table A-6
Long-Term Debt
Outstanding Long-Term Liabilities

	Balance June 30, 2010	Balance June 30, 2009
Serial Bonds	$ 6,921,000	$ 7,311,000
Compensated Absences Payable	326,026	410,009
Total	$ 7,247,026	$ 7,721,009

Additional information on Waldwick Board of Education's long-term debt can be found in Note 3 of this report.

Debt Administration (Continued)

Moody's Investors Service has assigned an Aa2 enhanced rating to the Waldwick Board of Education's $8,701,000 million General Obligation School Bonds. These bonds are secured by New Jersey's Chapter 72 program. The Aa2 rating on this issue reflects: Chapter 72's highly liquid reserve that by statute is perpetually sized at 1.5% of New Jersey school district related indebtedness; significant ability to regenerate the fund in the case of a draw; and, Moody's anticipation that program mechanics will govern timely bond repayment in the case of a defaulting issuer. Additional information on this program follows:

CHAPTER 72 IS A CONSTITUTIONALLY CREATED FUND LOCATED IN THE STATE'S FUND FOR SUPPORT OF FREE PUBLIC SCHOOLS

The Chapter 72 reserves, authorized in 1980 (NJ 18A:56-19), to make scheduled debt service payments for a defaulting issuer are carved from the State of New Jersey's larger constitutionally created Fund for Support of Free Public Schools. Chapter 72 assets currently valued at $62 million are recalculated annually, to comply with the statutory requirement that the reserve equal exactly 1.5% of the $4.1 billion of outstanding school related debt. Currently, Chapter 72 assets comprise 41% of the Fund.

Additional information on Waldwick Board of Education's long-term debt can be found in the "Notes to the Basic Financial Statements".

FOR THE FUTURE

Currently, the District is in good financial condition. Everyone associated with the Waldwick School District is grateful for the community support of the schools. A major concern is the financial support required to maintain appropriate class sizes and services. This, in an environment of declining flat state aid support, means an ever-increasing reliance on local property taxes.

In conclusion, the Waldwick School District has committed itself to financial and educational excellence. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional information, contact the School Business Administrator at the Waldwick Board of Education, 155 Summit Avenue., Waldwick, NJ 07643.

BASIC FINANCIAL STATEMENTS

WALDWICK BOARD OF EDUCATION
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,812,119	$ 9,138	$ 1,821,257
Receivables, net			
Receivables from Other Governments	710,908	103	711,011
Other		8,873	8,873
Inventory		3,230	3,230
Deferred Charge	44,093		44,093
Capital Assets, net			
Not Being Depreciated			-
Being Depreciated	15,855,981	3,495	15,859,476
Total Assets	18,423,101	24,839	18,447,940
LIABILITIES			
Accounts Payable	219,760	268	220,028
Payable to State Government	24,658		24,658
Unearned Revenue	61,024		61,024
Accrued Interest Payable	84,173		84,173
Other Current Liabilities	9,914		9,914
Noncurrent Liabilities			
Due Within One Year	485,000		485,000
Due Beyond One Year	6,762,026	-	6,762,026
Total Liabilities	7,646,555	268	7,646,823
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	8,979,074	3,495	8,982,569
Restricted for			
Debt Service	1		1
Capital Projects	451,171		451,171
Unrestricted	1,346,300	21,076	1,367,376
Total Net Assets	$ 10,776,546	$ 24,571	$ 10,801,117

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

WALDWICK BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities							
Instruction							
Regular	$ 10,462,871	$ 60,068	$ 2,259,425	$ 464,700	$ (7,678,678)		$ (7,678,678)
Special Education	5,359,297		779,405		(4,579,892)		(4,579,892)
Other Instruction	833,081		209,592		(623,489)		(623,489)
School Sponsored Activities and Athletics	749,276		58,281		(690,995)		(690,995)
Support Services							
Student and Instruction Related Services	2,777,747		357,674		(2,420,073)		(2,420,073)
Health Services	329,014		27,878		(301,136)		(301,136)
Educational Media/School Library	286,308		22,056		(264,252)		(264,252)
School Administrative Services	1,309,276		115,337		(1,193,939)		(1,193,939)
General and Business Administrative Services	1,007,466		42,327		(965,139)		(965,139)
Plant Operations and Maintenance	2,168,813		83,017		(2,085,796)		(2,085,796)
Pupil Transportation	554,171		126,625		(427,546)		(427,546)
Central Services	825,522				(825,522)		(825,522)
Interest on Long-Term Debt	295,034	-	-	-	(295,034)	-	(295,034)
Total Governmental Activities	26,957,876	60,068	4,081,617	464,700	(22,351,491)	-	(22,351,491)
Business-Type Activities							
Food Service	253,883	258,302	1,693	-	-	$ 6,112	6,112
Total Business-Type Activities	253,883	258,302	1,693	-	-	6,112	6,112
Total Primary Government	$ 27,211,759	$ 318,370	$ 4,083,310	$ 464,700	(22,351,491)	6,112	(22,345,379)
General Revenues							
Taxes:							
Property Taxes, Levied for General Purposes, Net					23,225,756		23,225,756
Taxes Levied for Debt Service					685,909		685,909
Unrestricted State Aid					119,362		119,362
Miscellaneous Income					91,002	-	91,002
Total General Revenues					24,122,029	-	24,122,029
Change in Net Assets					1,770,538	6,112	1,776,650
Net Assets, Beginning of Year					9,006,008	18,459	9,024,467
Net Assets, End of Year					$ 10,776,546	$ 24,571	$ 10,801,117

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

FUND FINANCIAL STATEMENTS

WALDWICK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 1,808,348		$ 3,770	$ 1	$ 1,812,119
Due from Other Funds	108,400	$ 561			108,961
Receivables from Other Governments	49,599	196,609	464,700		710,908
Other Receivables	-	-	-	-	-
Total Assets	$ 1,966,347	$ 197,170	$ 468,470	$ 1	$ 2,631,988
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 199,372	$ 20,388			$ 219,760
Deposits Payable	9,914				9,914
Due to Other Funds	561	91,100	$ 17,300		108,961
Payable to State Government		24,658			24,658
Deferred Revenue	-	61,024	-	-	61,024
Total Liabilities	209,847	197,170	17,300	-	424,317
Fund Balances					
Reserved for					
Encumbrances	113,849				113,849
Capital Reserve Account	1				1
Excess Surplus- Designated for Subsequent Year's Expenditures	603,965				603,965
Excess Surplus	519,595				519,595
Unreserved, Designated for Subsequent Year's Expenditures					
General Fund	324,188				324,188
Unreserved, Undesignated, Reported in:					
General Fund	194,902				194,902
Debt Service Fund				$ 1	1
Capital Projects Fund	-	-	451,170	-	451,170
Total Fund Balances	1,756,500	-	451,170	1	2,207,671
Total Liabilities and Fund Balances	$ 1,966,347	$ 197,170	$ 468,470	$ 1	

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 net assets is $24,720,657. and the accumulated depreciation is $8,864,676.		$ 15,855,981
The District has financial capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:		(84,173)
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. Long-term liabilities at year end consist of:		
General Obligation Bonds Payable	$ 6,921,000	
Less: Deferred Charge for Issuance Costs	(44,093)	
Compensated Absences	326,026	
		(7,202,933)
Net Assets (Exhibit A-1)		$ 10,776,546

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

WALDWICK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	$ 23,225,756			$ 685,909	$ 23,911,665
Miscellaneous	147,564	-	$ 3,506	-	151,070
Total - Local Sources	23,373,320	-	3,506	685,909	24,062,735
State Sources	3,301,189	$ 138,741	464,700		3,904,630
Federal Sources	36,882	724,167	-	-	761,049
Total Revenues	26,711,391	862,908	468,206	685,909	28,728,414
EXPENDITURES					
Current					
Regular Instruction	10,165,783	26,340			10,192,123
Special Education Instruction	4,769,421	488,482			5,257,903
Other Instruction	663,249	148,561			811,810
School-Sponsored Activities and Athletics	728,963				728,963
Support Services and Undistributed Costs:					-
Student and Instruction Related Services	2,571,684	153,917			2,725,601
Health Services	319,298				319,298
Educational Media/School Library	278,621				278,621
School Administrative Services	1,274,952				1,274,952
General Administrative Services	1,012,714				1,012,714
Plant Operations and Maintenance	2,127,126				2,127,126
Pupil Transportation	548,674				548,674
Central Services	808,683				808,683
Debt Service					
Principal				390,000	390,000
Interest and Other Charges				295,909	295,909
Capital Outlay	93,147	45,608	1,200,858	-	1,339,613
Total Expenditures	25,362,315	862,908	1,200,858	685,909	28,111,990
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	1,349,076	-	(732,652)	-	616,424
OTHER FINANCING SOURCES (USES)					
Transfers In	20,806		908,170		928,976
Transfers Out	(908,170)	-	(20,806)	-	(928,976)
Total Other Financing Sources and Uses	(887,364)	-	887,364	-	-
Net Change in Fund Balances	461,712	-	154,712	-	616,424
Fund Balance, Beginning of Year	1,294,788	-	296,458	1	1,591,247
Fund Balance, End of Year	$ 1,756,500	$ -	$ 451,170	$ 1	$ 2,207,671

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

WALDWICK BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Total net change in fund balances - governmental funds (Exhibit B-2)		$ 616,424
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.		
Capital Outlay	$ 1,339,613	
Depreciation Expense	(660,357)	
		679,256
In the statement of activities, "the payment of long-term debt (e.g. bonds and leases) consumes the current financial resources of the governmental funds. However, this transaction has no effect on net assets. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Reduction of Long-Term Debt		390,000
In the statement of activities, certain operating expenses - compensated absences and claims and judgments for self insurance claims - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):		
Net Decrease Compensated Absences		83,983
Interest on long-term debt in the statement of activities differs from the amount reported iu the governmental fuuds because interest is recorded as an expenditure iu the funds wheu it is due, and thus requires the use of current financial resources. In the statement of activities, however, iuterest expense is recoguized as the interest accrues, regardless of when it is due.		
Decrease iu accrued interest		4,267
Amortization of Deferred Charge on issuance Costs		(3,392)
Change in net assets of governmental aetivities (Exhibit A-2)		$ 1,770,538

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

WALDWICK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Business-Type Activities Enterprise Fund Food Service
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 9,138
Intergovernmental Receivable	
Federal	103
Other Receivable	8,873
Inventories	3,230
Total Current Assets	21,344
Capital Assets	
Equipment	46,108
Less: Accumulated Depreciation	(42,613)
Total Capital Assets, Net	3,495
Total Assets	24,839
LIABILITIES	
Current Liabilities	
Accounts Payable	268
Total Current Liabilities	268
Total Liabilities	268
NET ASSETS	
Invested in Capital Assets	3,495
Unrestricted	21,076
Total Net Assets	$ 24,571

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

EXHIBIT B-5

WALDWICK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities Enterprise Fund Food Service
OPERATING REVENUES	
Charges for Services	
Daily Sales	$ 253,570
Special Functions	4,732
Total Operating Revenues	258,302
OPERATING EXPENSES	
Cost of Sales	105,838
Salaries and Employee Benefits	112,718
Purchase Professional Services	24,134
Supplies and Materials	10,602
Depreciation	591
Total Operating Expenses	253,883
Operating Gain	4,419
NONOPERATING REVENUES	
Federal Sources	
Special Milk Program	1,693
Total Nonoperating Revenues	1,693
Net Income	6,112
Change in Net Assets	6,112
Total Net Assets, Beginning of Year	18,459
Total Net Assets, End of Year	$ 24,571

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

EXHIBIT B-6

WALDWICK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Busiuess-Type Activities Enterprise Fund Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	$ 254,578
Cash Payments for Employees' Salaries and Benefits	(112,718)
Cash Payments to Suppliers for Goods and Services	(140,605)
Net Cash Provided by (Used for) by Operating Activities	1,255
Cash Flows from Noncapital Financing Activities	
Cash Received from Federal Subsidy Reimbursements	2,022
Net Cash Provided by Noncapital Financing Activities	2,022
Net (Decrease)/Increase in Cash and Cash Equivalents	3,277
Cash and Cash Equivalents, Beginning of Year	5,861
Cash and Cash Equivalents, End of Year	$ 9,138
Reconciliation of Operating (Loss) to Net Cash Used by Operating Activities	
Operating Gain	$ 4,419
Adjustments to Reconcile Operating Income Gain/(Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation	591
Change in Assets and Liabilities	
(Increase)/Decrease in Accounts Receivable	(3,724)
Increase/(Decrease) in Accounts Payable	268
(Increase)/Decrease in Inventory	(299)
Total Adjustments	(3,164)
Net Cash Used for Operating Activities	$ 1,255

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

WALDWICK BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2010

	Unemployment Compensation Trust Fund	Private Purpose Trust Funds	Agency Fund
ASSETS			
Cash and Cash Equivalents	$ 32,771	$ 40,591	$ 71,512
Due from Other Funds	-	-	5,370
Total Assets	32,771	40,591	$ 76,882
LIABILITIES			
Due to Other Funds	$ 5,370		
Payroll Deductions and Withholdings			$ 15,187
Due to Student Groups	-	-	61,695
Total Liabilities	5,370	-	$ 76,882
NET ASSETS			
Held in Trust for Unemployment Claims and Other Purposes	$ 27,401	$ 40,591	

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

WALDWICK BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Unemployment Compensation Trust Fund	Private Purpose Trust Funds
ADDITIONS		
Contributions		
Board Contributions	$ 48,000	
Employees	40,145	
Donations		$ 6,950
Investment Earnings		
Interest	-	371
Total Additions	88,145	7,321
DEDUCTIONS		
Scholarships Awarded		13,550
Unemployment Claims and Contributions	131,088	-
Total Deductions	131,088	13,550
Change in Net Assets	(42,943)	(6,229)
Net Assets, Beginning of Year	70,344	46,820
Net Assets, End of Year	$ 27,401	$ 40,591

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Waldwick Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Waldwick Board of Education this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. District-wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. 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.

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 other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services 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. Property taxes, unrestricted state aid 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 the district-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The District considers all of its governmental and enterprise funds to be major funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measuremeut Focus, Basis of Accounting and Finaucial Statement Presentation

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the Agency Fund which does not have a measurement focus. All assets and all liabilities associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Assets. Revenues are recorded when earned and expenses are recorded at the time liabilities are 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. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, tuition, unrestricted state aid, 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. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal and state financial programs, with the exception of grants for major capital projects and the school breakfast, milk and lunch programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of major capital facilities and other capital assets.

The *debt service fund* accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the government reports the following fund type:

> The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to December 1, 1989, generally are followed in both the district-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Board has elected not to follow FASB guidance issued subsequent to December 1, 1989.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, federal and state grants for investment earnings and miscellaneous revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2008-2009 and 2009-2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenue is recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred revenues. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $500, if purchased prior to July 1, 2001 or $2,000 if purchased after July 1, 2001 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or estimated historical cost if constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

4. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Land Improvements	20
Buildings & Building Improvements	20-50
Machinery & Equipment	5-20

5. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation, personal and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

6. Long-term obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond issuance costs are deferred and amortized over the life of the bonds using the straight line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

7. Fund Equity

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is appropriated for future expenditures.

Reserved for Encumbrances - This reserve was created to represent encumbrances outstanding at the end of the year based on purchase orders and contracts awarded for which the goods or services have not yet been received at June 30.

Reserved for Excess Surplus – Designated for Subsequent Year's Expenditures - This reserve was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2009 audited excess surplus that was appropriated in the 2010/2011 original budget certificd for taxes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

7. Fund Equity (Continued)

Reserved for Excess Surplus – This reserve was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2010 audited excess surplus that is required to be appropriated in the 2011/2012 original budget certified for taxes.

Reserved for Capital Reserve Account – This reserve was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2.)

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2010/2011 District budget certified for taxes.

8. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, and debt service fund which is more fully explained below and in the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent and is voted upon at the annual school election on the third Tuesday in April. Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. The Board approved several budget transfers during 2009/2010. During 2009/2010 the Board increased the original budget by $472,086. The increase was funded by grant awards and the reappropriation of prior year general fund encumbrances.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 which are reappropriated and honored during the subsequent fiscal year.

B. Capital Reserve Account

A capital reserve account was established by the District on March 26, 2001. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the fiscal year ended June 30, 2010 is as follows:

Balance, July 1, 2009	$ 1
Balance, June 30, 2010	$ 1

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance in excess of 2% of budget expenditures 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, 2010 is $1,123,560. Of this amount, $603,965 was designated and appropriated in the 2010/2011 original budget certified for taxes and the remaining amount of $519,595 will be appropriated in the 2011/2012 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge plus collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds for all deposits not covered by the FDIC.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2010, the book value of the Board's deposits was $1,966,131 and bank balances of the Board's cash and deposits amounted to $2,699,906. The Board's deposits which are displayed on the balance sheets and statement of net assets as "cash" or "cash and cash equivalents" are categorized as:

Depository Account	
Insured	$ 2,699,906

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2010 the Board's bank balance was not exposed to custodial credit risk.

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2010, the Board had no outstanding investments.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

Receivables as of year-end for the district's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Special Revenue Fund	Food Service Fund	Capital Projects Fund	Total
Receivables:					
Accounts			$ 8,873		$ 8,873
Intergovernmental	$ 49,599	$ 196,609	103	$ 464,700	711,011
Gross Receivables	49,599	196,609	8,976	464,700	719,884
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	$ 49,599	$ 196,609	$ 8,976	$ 464,700	$ 719,884

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Unavailable
Special Revenue Fund	
Unencumbered grant draw downs	$ 61,024
Total deferred revenue for governmental funds	$ 61,024

C. Capital Assets

Capital asset activity for the year ended June 30, 2010 was as follows:

	Balance, July 1, 2009	Increases	Adjustment	Balance, June 30, 2010
Governmental activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 67,878	-	$ (67,878)	-
Total Capital Assets, Not Being Depreciated	67,878	-	(67,878)	-
Capital Assets, Being Depreciated:				
Land Improvements	1,403,199	$ 9,200		$ 1,412,399
Buildings and Building Improvements	19,132,565	1,157,979	67,878	20,358,422
Machinery and Equipment	2,777,402	172,434	-	2,949,836
Total Capital Assets Being Depreciated	23,313,166	1,339,613	67,878	24,720,657
Less Accumulated Depreciation for:				
Land Improvements	(915,205)	(33,286)		(948,491)
Buildings and Building Improvements	(5,410,276)	(484,214)		(5,894,490)
Machinery and Equipment	(1,878,838)	(142,857)	-	(2,021,695)
Total Accumulated Depreciation	(8,204,319)	(660,357)	-	(8,864,676)
Total Capital Assets, Being Depreciated, Net	15,108,847	679,256	67,878	15,855,981
Government Activities Capital Assets, Net	$ 15,176,725	$ 679,256	$ -	$ 15,855,981

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	$ 46,108	-	-	$ 46,108
Total Capital Assets Being Depreciated	46,108	-	-	46,108
Less accumulated depreciation for:				
Machinery and Equipment	(42,022)	$ (591)	-	(42,613)
Total Accumulated Depreciation	(42,022)	(591)	-	(42,613)
Total Capital Assets, Being Depreciated, Net	4,086	(591)	-	3,495
Business-Type Activities Capital Assets, Net	$ 4,086	$ (591)	$ -	$ 3,495

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Instruction	
Regular	$ 305,064
Special	101,394
Other Special Instruction	21,271
School-Sponsored/Other Instructional	20,313
Total Instruction	448,042
Support Services	
Student Services - Students	73,331
Health Services	9,716
Educational Media	7,687
School Administration	40,198
General Administration	14,752
Plant Operations and Maintenance	44,295
Pupil Transportation	5,497
Central Services	16,839
Total Support Services	212,315
Total Depreciation Expense - Governmental Activities	$ 660,357
Business-Type Activities:	
Food Service Fund	$ 591

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Construction commitments

The District has the following active construction projects as of June 30, 2010:

Project	Spent-to-Date	Remaining Commitment
Traphagen Classroom Building Upgrades Project #3	$ 550,000	
Traphagen Classroom #9 and District Facilities and Other Upgrades	759,686	$ 115,825
Electrical Upgrades	295,298	7,065
Traphagen Classroom Building Upgrade Project #10	617,384	61,177
Crescent Roof	374,788	15,777
Traphagen Classroom Building Upgrades Project #7& 8	1,104,244	251,326
	$ 3,701,400	$ 451,170

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2010, is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	$ 17,300
General Fund	Special Revenue Fund	91,100
Special Revenue Fund	General Fund	561
		$ 108,961

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers (Coutinued)

Interfund transfers

	Transfer In:		
	General Fund	Capital Projects Fund	Total
Transfer Out:			
General Fund		$ 908,170	$ 908,170
Capital Projects Fund	$ 20,806	-	20,806
Total Transfers out	$ 20,806	$ 908,170	$ 928,976

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

E. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2010 are comprised of the following issues:

$9,021,000, 2002 Bonds, due in annual installments of $396,000 to $636,000 through September 22, 2022, interest at 3.15% to 4.60%	$6,921,000

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ending June 30,	Serial Bonds Principal	Interest	Total
2011	$ 405,000	$ 281,002	$ 686,002
2012	425,000	265,440	690,440
2013	445,000	249,128	694,128
2014	465,000	231,949	696,949
2015	485,000	213,778	698,778
2016-2019	2,190,000	643,671	2,833,671
2020-2023	2,506,000	231,030	2,737,030
	$ 6,921,000	$ 2,115,998	$ 9,036,998

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2010 was as follows:

4% of Equalized Valuation Basis (Municipal)	$ 68,805,739
Less: Net Debt	6,921,000
Remaining Borrowing Power	$ 61,884,739

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Debt (Continued)

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2010, was as follows:

	Balance, July 1, 2009	Additions	Reductions	Balance, June 30, 2010	Due Within One Year
Governmental activities:					
Bonds payable	$ 7,311,000		$ 390,000	$ 6,921,000	$ 405,000
Compensated absences	410,009	$ 13,525	97,508	326,026	80,000
Governmental activity Long-term liabilities	$ 7,721,009	$ 13,525	$ 487,508	$ 7,247,026	$ 485,000

Compensated absences are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

Year Ended	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2010	$ 48,000	$ 40,145	$ 131,088	$ 27,401
2009	None	56,930	60,911	70,344
2008	None	29,225	22,315	74,325

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2010, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2010, the District is in the process of performing the calculation to determine if estimated arbitrage earnings are due to the IRS. This amount, if any, however may be material.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accountiug

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation (Continued)

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

Significant Legislation

P.L. 2009, c. 19, effective March 17, 2009 provided an option for local employers to contribute 50 percent of the normal and accrued liability contribution amounts certified by the PERS for payments due in State fiscal year 2009. This law also provided that a local employer may pay 100 percent of the required contribution. Such an employer was credited with the full payment and any such amounts were not to be included in their unfunded liability. The actuaries for PERS will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the State fiscal year ending June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

P.L. 2008, c. 89, effective November 1, 2008, increased the TPAF and PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; changed the early retirement provisions; increased the minimum annual compensation required for membership eligibility for new members on or after the effective date of this law.

P.L. 2007, c. 103, certain parts effective July 1, 2007, provided for the following: changed contribution rates of TPAF, PERS, and Defined Contribution Retirement Program (DCRP) to 5.5 percent of annual compensation; imposed an annual maximum wage contribution base and a new retirement age to new employees; implemented changes to State Health Benefits Program (SHBP) which included the creation of the School Employees' Health Benefit Program (SEHBP) and established an employee contribution of 1.5 percent of the employee's base salary.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Funding Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 72.6 percent with an unfunded actuarial accrued liability of $34.4 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 69.6 percent and $23.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 77.2 percent and $11.4 billion.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2008 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for the retirement systems and (2) 5.45 percent for projected salary increases for the PERS and 5.74 percent for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 5.5% for PERS, 5.5% for TPAF and 5.50% for DCRP of the employee's annual compensation.

Annual Peusion Costs (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2010 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

During the years ended June 30, 2010, 2009 and 2008 the Board was required to contribute for PERS and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended June 30,	PERS	On-behalf TPAF
2010	$ 228,277	$ 41,470
2009	180,644	35,026
2008	125,062	753,532

During 2009/2010 and 2008/2009 school years, the State of New Jersey did not contribute to the TPAF for normal cost and accrued liability. The State only contributed $41,470 and $35,026 during 2009/2010 and 2008/2009, respectively, for the NCGI premium. During 2008/2009 school year, the Board contributed only 50% of its normal and accrued liability components of the PERS obligation and deferred the remaining 50%. The deferred amount will be paid back with interest over 15 years beginning in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligation at any time. A long-term liability of the deferred pension obligation for PERS has been recorded in the governmental activities in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $876,548 during the year ended June 30, 2010 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount, along with the on-behalf TPAF pension contribution, has been included in the district-wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are cost sharing multiple employer defined benefit plans.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, PDP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 484 state and local participating employers and contributing entities for Fiscal Year 2009.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the State had a $55.9 billion unfunded actuarial accrued liability for other postemployment benefits (OPEB) which is made up to $19.8 billion for state active and retired members and $36.1 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events in the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Contiuued)

Actuarial Methods and Assumptions

In the June 30, 2008, actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included 4.50 percent for investment rate of return for the OPEB.

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2009, there were 84,590 retirees receiving post-retirement medical benefits and the State contributed $837.7 million on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education with 25 years of service. The State paid $116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in fiscal year 2009.

The State sets the contribution rate based on a pay as you go basis and not on the *annual required contribution of the employers (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2010, 2009 and 2008 were $778,869, $668,214 and $1,099,452, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

BUDGETARY COMPARISON SCHEDULES

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local sources					
Local Tax Levy	$ 23,225,756		$ 23,225,756	$ 23,225,756	
Tuition	68,544		68,544	60,068	$ (8,476)
Miscellaneous	43,500	-	43,500	87,496	43,996
Total Revenues- Local Sources	23,337,800	-	23,337,800	23,373,320	35,520
State sources					
Categorical Transportation Aid	192,321		192,321	125,009	(67,312)
Categorical Special Education Aid	890,359		890,359	676,083	(214,276)
Equalization Aid	203,263	$ (36,882)	166,381	109,582	(56,799)
Categorical Security Aid	116,461		116,461	75,700	(40,761)
Extraordinary Aid	251,938		251,938	532,526	280,588
Nonpublic Transportation Aid				5,721	5,721
On-behalf TPAF Pension System Contr. (Non-Budgeted)					
Normal Costs				41,470	41,470
Post-Retirement Medical Contribution				778,869	778,869
On-behalf TPAF Soc. Sec. (Non-Budgeted)	-	-	-	876,548	876,548
Total State Sources	1,654,342	(36,882)	1,617,460	3,221,508	1,604,048
Federal Sources					
ARRA- ESF		35,507	35,507	35,507	
ARRA- GSF	-	1,375	1,375	1,375	-
Total Federal Sources	-	36,882	36,882	36,882	-
Total Revenues	24,992,142	-	24,992,142	26,631,710	1,639,568
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool/Kindergarten	260,408	298	260,706	238,637	22,069
Grades 1-5	2,685,671	(37,060)	2,648,611	2,581,689	66,922
Grades 6-8	1,698,581	7,158	1,705,739	1,681,869	23,870
Grades 9-12	2,561,806	(8,108)	2,553,698	2,512,087	41,611
Regular Programs - Home Instruction					
Salaries of Teachers	80,902	(80,902)			
Regular Programs - Undistributed Instruction					
Other Instruction for Instruction		11,000	11,000	2,985	8,015
Purchased Technical Services	23,555	(8,569)	14,986	11,425	3,561
Other Purchased Services	72,910	(5,993)	66,917	60,501	6,416
General Supplies	382,536	(3,265)	379,271	375,618	3,653
Textbooks	66,616	3,978	70,594	68,340	2,254
Other Objects	44,250	(3,135)	41,115	23,948	17,167
Total Regular Programs	7,877,235	(124,598)	7,752,637	7,557,099	195,538

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Special Education - Instruction					
Learning and/or Language Disabilities					
Salaries of Teachers	$ 209,538	$ (49,169)	$ 160,369	$ 160,022	$ 347
Other Salaries for Instruetion	245,642	(24,417)	221,225	210,531	10,694
Other Purehased Serviees	625		625		625
General Supplies	4,326	(612)	3,714	2,048	1,666
Textbooks	1,375		1,375	445	930
Other Objects	22,500	(4,874)	17,626	15,316	2,310
Total Learning and/or Language Disabilities	484,006	(79,072)	404,934	388,362	16,572
Auditory Impairments					
Other Salaries for Instruction	29,689	(11,412)	18,277	13,360	4,917
Total Auditory Impairments	29,689	(11,412)	18,277	13,360	4,917
Behavioral Disabilities					
Other Salaries for Instruction	52,629	(26,807)	25,822	23,683	2,139
Total Behavioral Disabilities	52,629	(26,807)	25,822	23,683	2,139
Multiple Disabilities					
Other Salaries for Instruction	84,868	(58,565)	26,303	26,303	-
Total Multiple Disabilities	84,868	(58,565)	26,303	26,303	-
Resource Room					
Salaries of Teachers	1,318,525	63,930	1,382,455	1,378,758	3,697
Other Salaries for Instruction	163,947	82,603	246,550	246,094	456
Purchased Professional-Educational Services	25,000	2,395	27,395	26,607	788
Other Purchased Services	7,048		7,048	3,368	3,680
General Supplies	6,241	1,522	7,763	7,305	458
Textbooks	12,681		12,681	10,093	2,588
Other Objects	31,570	(7,695)	23,875	21,890	1,985
Total Resource Room	1,565,012	142,755	1,707,767	1,694,115	13,652
Autism					
Other Salaries for Instruction	90,158	(45,909)	44,249	42,093	2,156
Total Autism	90,158	(45,909)	44,249	42,093	2,156

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Special Education Instructiou (Continued)					
Preschool Disabilities - Part - Time					
Salaries of Tcachers	$ 66,079	$ (7,889)	$ 58,190	$ 57,768	$ 422
Other Salaries for Instruction	85,444		85,444	67,928	17,516
Gcneral Supplies	2,228		2,228	1,570	658
Other Objects	100	-	100	-	100
Total Preschool Disabilities - Part - Time	153,851	(7,889)	145,962	127,266	18,696
Preschool Disabilities - Full - Time					
Salaries of Teachers		54,564	54,564	54,185	379
Other Salaries for Iustrnction	-	40,100	40,100	39,346	754
Total Preschool Disabilities - Full - Time	-	94,664	94,664	93,531	1,133
Total Special Education - Instruction	2,460,213	7,765	2,467,978	2,408,713	59,265
Basic Skills/Remedial					
Salaries of Teachers	336,272	1,239	337,511	329,446	8,065
Total Basic Skills/Remedial	336,272	1,239	337,511	329,446	8,065
Bilingual Education					
Salaries of Teachers	129,990	(3,800)	126,190	125,710	480
Other Salaries for Iustruction	31,555	1	31,556	31,556	-
Total Bilingual Education	161,545	(3,799)	157,746	157,266	480
School Sponsored Co-Curricular Activities					
Salaries	148,862		148,862	139,016	9,846
Supplies and Materials	13,275	(6,827)	6,448	4,912	1,536
Total School Sponsored Co-Curricular Activities	162,137	(6,827)	155,310	143,928	11,382
School Sponsored Athletics - Instruction					
Salaries	335,257		335,257	325,771	9,486
Purchased Services	39,800	8,114	47,914	45,976	1,938
Supplies and Materials	55,400	(5,695)	49,705	47,489	2,216
Total School Sponsored Athletics - Instruction	430,457	2,419	432,876	419,236	13,640
Total - Instruction	11,427,859	(123,801)	11,304,058	11,015,688	288,370

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State - Special	$ 418,000	$ (205,290)	$ 212,710	$ 107,203	$ 105,507
Tuition to County Vocational School District-Reg.	61,760	15,040	76,800	76,800	
Tuition to County Vocational School District-Special	55,000	(22,380)	32,620	32,620	
Tuition to CSSD & Regional Day Schools	430,741	128,630	559,371	558,651	720
Tuition to Private Schools - Disabled - State	935,052	(100,000)	835,052	811,423	23,629
Tuition - Other	51,000	-	51,000	9,288	41,712
Total Undistributed Expenditures - Instruction	1,951,553	(184,000)	1,767,553	1,595,985	171,568
Attendance and Social Work					
Salaries	53,010	-	53,010	53,010	-
Total Attendance and Social Work	53,010	-	53,010	53,010	-
Health Services					
Salaries	220,853	1,860	222,713	222,322	391
Purchased Professioual aud Technical Services	11,000	745	11,745	11,278	467
Other Purchased Services	150	(112)	38	38	
Supplies and Materials	3,452	1,073	4,525	4,513	12
Other Objects	-	1,840	1,840	1,840	-
Total Health Services	235,455	5,406	240,861	239,991	870
Speech, OT, PT & Related Srvs					
Salaries	181,205	72,664	253,869	253,869	-
Purchased Professional -Educational Services	450,000	(159,107)	290,893	226,161	64,732
Supplies and Materials	3,200		3,200	1,548	1,652
Other Objects	1,625	-	1,625	939	686
Total Speech, OT, PT & Related Srvs	636,030	(86,443)	549,587	482,517	67,070
Guidance					
Salaries of Other Profcssional Staff	312,442	62,569	375,011	362,575	12,436
Salaries of Secretarial and Clerical Assistants	89,080		89,080	89,080	
Other Purchased Professional -Technical Services	26,752	(19,797)	6,955	6,955	
Other Purchased Services	400	(210)	190		190
Supplies and Materials	8,150	(1,685)	6,465	6,230	235
Total Guidance	436,824	40,877	477,701	464,840	12,861

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Child Study Teams					
Salaries of Other Professional Staff	$ 662,085	$ (27,179)	$ 634,906	$ 634,905	$ 1
Salaries of Secretarial and Clerical Assistants	47,584	115	47,699	47,265	434
Other Salaries	655		655		655
Purchased Professional-Educational Services	32,095	(3,000)	29,095	28,768	327
Total Child Study Teams	742,419	(30,064)	712,355	710,938	1,417
Improvement of Instruction Services/ Salaries of Supervisor of Instruction	241,229	(3,128)	238,101	237,239	862
Total Improvement of Instruction Services/ Other Support Services-Instructional Staff	241,229	(3,128)	238,101	237,239	862
Educational Media Services/School Library					
Salaries	167,891	8,007	175,898	175,898	
Purchased Professional and Technical Services	3,000		3,000	2,847	153
Supplies and Materials	42,516	(4,450)	38,066	37,130	936
Total Educational Media Services/School Library	213,407	3,557	216,964	215,875	1,089
Instructional Staff Training Services					
Purchased Professional - Educational Services	26,921	850	27,771	21,490	6,281
Total Instructional Staff Training Services	26,921	850	27,771	21,490	6,281
Support Services General Administration					
Salaries	339,447	(1,898)	337,549	337,549	
Legal Services	61,000	(5,736)	55,264	55,264	
Audit Fees	30,000	42,520	72,520	28,056	44,464
Architectural/Engineering Services	5,000	(5,000)			
Other Purchased Professional Services	8,150	815	8,965	8,965	
Communications/Telephone	25,000	12,000	37,000	31,770	5,230
BOE Other Purchased Prof. Svc.	3,000	(2,253)	747	747	
Miscellaneous Purchased Services	27,700	(3,439)	24,261	24,261	
General Supplies	60,790	(11,591)	49,199	47,809	1,390
Miscellaneous Expenditures	2,630	(1,570)	1,060	1,060	
BOE Membership Dues and Fees	12,600	(289)	12,311	12,311	-
Total Support Services General Administration	575,317	23,559	598,876	547,792	51,084
Support Services School Administration					
Salaries of Principals/Asst. Principals	668,331		668,331	668,330	1
Salaries of Secretarial and Clerical Assistants	247,776	5,874	253,650	251,471	2,179
Other Purchased Services	3,000		3,000	2,500	500
Supplies and Materials	31,179	(11,426)	19,753	19,027	726
Total Support Services School Administration	950,286	(5,552)	944,734	941,328	3,406

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Central Services					
Salaries	$ 380,036	$ 55	$ 380,091	$ 379,887	$ 204
Purchased Professional Services	1,700	1,500	3,200	1,500	1,700
Purchased Technical Services	26,350	(3,231)	23,119	23,119	
Misc. Purchased Services	1,500		1,500	1,246	254
Supplies aud Materials	27,171	(20,489)	6,682	6,682	
Other Objects	9,200	-	9,200	8,923	277
Total Central Services	445,957	(22,165)	423,792	421,357	2,435
Admin. Info. Teeh					
Salaries	9,125	(3,000)	6,125	5,422	703
Purchased Professional Services	149,520	2,380	151,900	151,900	
Purehased Techoical Services	30,000	-	30,000	30,000	
Other Purchased Services	15,400	(1,424)	13,976	13,976	
Supplies and Materials	22,090	43,132	65,222	65,211	11
Other Objects	42,000	(10,293)	31,707	31,684	23
Total Admin. Info. Tech	268,135	30,795	298,930	298,193	737
Required Maintenauce for School Facilities					
Salaries	177,463	2,381	179,844	179,733	111
Cleaning, Repair and Maintenance	38,700	8,926	47,626	45,934	1,692
General Supplies	6,300	2,500	8,800	8,440	360
Total Required Maintenance for School Facilitics	222,463	13,807	236,270	234,107	2,163
Custodial Services					
Salaries	795,716	(12,780)	782,936	782,213	723
Purchased Professiooal & Teehnical Svcs.	62,200	(25,693)	36,507	36,351	156
Insurance	168,022	(7,997)	160,025	160,024	1
General Supplies	106,150	(4,564)	101,586	101,586	
Energy (Natural Gas)	323,339	(78,000)	245,339	182,686	62,653
Energy (Eleetricity)	346,237		346,237	316,081	30,156
Other Objects	1,200	(400)	800	750	50
Total Custodial Services	1,802,864	(129,434)	1,673,430	1,579,691	93,739
Care and Upkeep of Grounds					
Salaries	50,200	1,412	51,612	51,602	10
Purchased Professional & Teehnical Svcs.	5,000	4,344	9,344	9,344	
Cleaning, Repair & Maintenanee	6,000	2,050	8,050	8,050	
General Supplies	10,000	(129)	9,871	9,871	-
Total Care and Upkeep of Grounds	71,200	7,677	78,877	78,867	10
Total Oper & Maint of Plant Scrvicos	2,096,527	(107,950)	1,988,577	1,892,665	95,912

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	$ 29,736	$ (19,046)	$ 10,690	$ 7,046	$ 3,644
Salaries for Pupil Transportation (Between Home and School) - Spec. Ed.	43,445	(7,766)	35,679	35,626	53
Salaries for Pupil Transportation (Other than Between Home and School)	66,895	16,207	83,102	83,102	
Cleaning, Repair and Maintenance Services	7,300	2,747	10,047	9,674	373
Lease Purchase Payments - School Buses	21,000	(21,000)			
Contracted Services (Between Home and School) - Vendors	57,423	12,257	69,680	68,163	1,517
Contracted Services (Other Than Between Home and School) - Vendors	25,175	(17,964)	7,211	4,191	3,020
Contracted Services (Sp. Ed. Students)-Joint Agreements	450,511	(41,809)	408,702	283,503	125,199
Contracted Services-Aid in Lieu of Payments-Nonpublic	42,044		42,044	15,912	26,132
Transportation Supplies	8,400	3,969	12,369	12,362	7
Total Student Transportation Services	751,929	(72,405)	679,524	519,579	159,945
Unallocated Benefits					
Social Security Contributions	298,412	(20,659)	277,753	277,753	
Other Retirement Contributions - PERS	207,253	21,024	228,277	228,277	
Unemployment Compensation	20,000	28,000	48,000	48,000	
Workers Comp	139,384	7,884	147,268	147,268	
Health Benefits	2,754,521	37,557	2,792,078	2,792,078	
Tuition Reimbursement	80,000	(232)	79,768	73,907	5,861
Other Employee Benefits	-	2,000	2,000	2,000	-
Total Unallocated Benefits	3,499,570	75,574	3,575,144	3,569,283	5,861
On-behalf TPAF Pension System Contr. (Non-Budgeted)					
Normal Costs				41,470	(41,470)
Post Retirement Medical Contributions				778,869	(778,869)
On-behalf TPAF Soc. Sec. Contr. (Non-Budgeted)	-	-	-	876,548	(876,548)
Total On-Behalf TPAF	-	-	-	1,696,887	(1,696,887)
Total Undistributed Expenditures	13,124,569	(331,089)	12,793,480	13,908,969	(1,115,489)
Total Expenditures - Current Expense	24,552,428	(454,890)	24,097,538	24,924,657	(827,119)

(Continued)

WALDWICK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CAPITAL OUTLAY					
Instruction					
Grades 1-5		$ 51,116	$ 51,116	$ 51,116	
Grades 6-8		4,648	4,648	4,648	
Grades 9-12		2,652	2,652	2,652	
Equipment					
Undistributed					
Instruction	$ 11,500	(11,500)			
Admin. Info. Tech		5,723	5,723	5,723	
Required Maintenance for School Facilities	-	7,970	7,970	7,970	
Custodial Services	6,000	2,338	8,338	8,338	
Care and Upkeep of Grounds	-	28,889	28,889	9,200	$ 19,689
School Buses- Regular		43,230	43,230	-	43,230
Non-Instructional Services	-	3,500	3,500	3,500	-
Total Equipment	17,500	138,566	156,066	93,147	62,919
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	-	350,000	350,000	344,511	5,489
	-	350,000	350,000	344,511	5,489
Total Capital Outlay	17,500	488,566	506,066	437,658	68,408
Total Expenditures	24,569,928	33,676	24,603,604	25,362,315	(758,711)
Excess (Deficiency) of Revenues Over (Under) Expenditures	422,214	(33,676)	388,538	1,269,395	880,857
Other Financing Sources/(Uses)					
Transfer In				20,806	20,806
Transfer Out	(908,170)	-	(908,170)	(908,170)	-
Total Other Finaneing Sources/(Uses)	(908,170)	-	(908,170)	(887,364)	20,806
Excess (Deficiency) of Revenues Over (Uuder) Expenditures and Other Financing Sources	(485,956)	(33,676)	(519,632)	382,031	901,663
Fund Balances, Beginning of Year	1,957,348	-	1,957,348	1,957,348	-
Fuud Balances, End of Year	$ 1,471,392	$ (33,676)	$ 1,437,716	$ 2,339,379	$ 901,663
Recapitalation					
Reserve for:					
Encumbrances				$ 113,849	
Capital Reserve				1	
Excess Surplus Designated for Subsequent Year's Expenditures				603,965	
Excess Surplus				519,595	
Unreserved:					
Designated fnr Subsequent Year's Expenditures				324,188	
Undesignated				777,781	
Budgetary Fund Balance				2,339,379	
Reconciliatiou to Governmental Fonds Statements (GAAP)					
Last State Aid Payment and Extraordinary Aid not recognized on GAAP Basis				582,879	
Fond Balances per Governmental Fonds (GAAP)				$ 1,756,500	

EXHIBIT C-1B

WALDWICK BOARD OF EDUCATION
GENERAL FUND
AMERICAN RECOVERY AND REINVESTMENT ACT
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Federal Sources					
ARRA-ESF		$ 35,507	$ 35,507	$ 35,507	
ARRA-GSF	-	1,375	1,375	1,375	-
Total Revenues	-	36,882	36,882	36,882	-
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Grades 1-5	-	36,882	36,882	36,882	-
Total Regular Programs	-	36,882	36,882	36,882	-
Total Expenditures - Current Expense	-	36,882	36,882	36,882	-
Excess (Defieieney) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -	$ -

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts				Variance
	Original	Transfers	Final	Actual	Final to Actual
REVENUES					
Local Sources					
Intergovernmental					
State	$ 140,540	$ 22,860	$ 163,400	$ 138,741	$ (24,659)
Federal	368,886	415,550	784,436	724,167	(60,269)
Total Revenues	509,426	438,410	947,836	862,908	(84,928)
EXPENDITURES					
Instruction					
Other Salaries for Instruction	28,800	17,994	46,794	46,794	-
Purchased Prof. & Technical Services	108,836	12,985	121,821	110,139	11,682
Purchased Prof. & Educational Services	5,920	68	5,988	5,988	-
Other Purchased Services	285,630	31,186	316,816	316,816	-
General Supplies	14,959	168,687	183,646	170,561	13,085
Textbooks	10,397	2,688	13,085	13,085	-
Total Instruction	454,542	233,608	688,150	663,383	24,767
Support Services					
Salaries	-	111,403	111,403	56,778	54,625
Personal Services-Employee Benefits	7,200	3,531	10,731	5,199	5,532
Purchased Professional/Educational Services	8,209	(5,986)	2,223	2,223	-
Purchased Professional/Technical Services	25,440	5,272	30,712	30,708	4
Other Purchased Services	14,035	26,679	40,714	40,714	-
General Supplies	-	18,295	18,295	18,295	-
Total Support Services	54,884	159,194	214,078	153,917	60,161
Facilities Acquisition and Constructions Services					
Instructional Equipment	-	45,608	45,608	45,608	-
Total Facilities & Acq. Services	-	45,608	45,608	45,608	-
Total Expenditures	509,426	438,410	947,836	862,908	84,928
Excess Revenues Over Expenditures	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -	$ -

WALDWICK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

The accounting records of tbe Special Revenue Funds are maintained on the grant accounting budgetary basis. Tbe 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 reeords are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconeiliation of the General and Spccial Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

		General Fund		Speeial Revenue Fund
Sources/inflows of resourees				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison scbedule (Exhibit C-2)	(C-1)	$ 26,631,710	(C-2)	$ 862,908
State Aid payment and Extraordinary Aid (2008/2009) recognized for GAAP purposes, not reeognized for budgetary statements.		662,560		
State Aid payment and Extraordinary Aid (2009/2010) recognized for budgetary purposes, not recognized for GAAP statements		(582,879)		-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	(B-2)	$ 26,711,391	(B-2)	$ 862,908
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	$ 25,362,315	(C-2)	$ 862,908
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	$ 25,362,315	(B-2)	$ 862,908

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Nonpublic Compensatory Education	Nonpublic ESL	Nonpublic Suppl. Inst.	Nonpublic Exam. and Class.	Nonpublic Speech Corr.	Nonpublic Nursing Services	Nonpublic Textbooks	Total Exhibit E-2A	Total 2010
REVENUES									
Intergovernmental									
State	$ 63,301	$ 3,756	$ 9,499	$ 15,541	$ 18,042	$ 15,517	$ 13,085	-	$ 138,741
Federal	-	-	-	-	-	-	-	$ 724,167	724,167
Total Revenues	$ 63,301	$ 3,756	$ 9,499	$ 15,541	$ 18,042	$ 15,517	$ 13,085	$ 724,167	$ 862,908
EXPENDITURES									
Instruction									
Other Salaries for Instruction								$ 46,794	$ 46,794
Purchased Professional & Technical Svcs.	$ 63,301	$ 3,756	$ 9,499	$ 15,541	$ 18,042			-	110,139
Purchased Professional & Educational Svc.								5,988	5,988
Other Purchased Services								316,816	316,816
Textbooks							$ 13,085		13,085
General Supplies	-	-	-	-	-	-	-	170,561	170,561
Total Instruction	63,301	3,756	9,499	15,541	18,042	-	13,085	540,159	663,383
Support Services									
Salaries								56,778	56,778
Personal Services - Employee Benefits	-	-	-	-	-	-	-	5,199	5,199
Purchased Professional Educational Svcs.								2,223	2,223
Purchase Professional & Technical Svcs								30,708	30,708
Other Purchased Professional Svcs.						$ 15,517		25,197	40,714
General Supplies	-	-	-	-	-	-	-	18,295	18,295
Total Support Services	-	-	-	-	-	15,517	-	138,400	153,917
Facilities Acquisition and Constructions Services									
Instructional Equipment	-	-	-	-	-	-	-	45,608	45,608
Total Facilities & Acq. Services	-	-	-	-	-	-	-	45,608	45,608
Total Expenditures	$ 63,301	$ 3,756	$ 9,499	$ 15,541	$ 18,042	$ 15,517	$ 13,085	$ 724,167	$ 862,908

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	IDEIA Part B- Basic Reg. Prog.	IDEIA Part B-Basic Preschool	NCLB Title IIA	NCLB Title III	NCLB Title IV	ARRA IDEIA Part B- Basic Reg. Prog.	ARRA IDEIA Part B-Basic Preschool	Total Exhibit E-2A
REVENUES								
Intergovernmental								
State								-
Federal	$ 337,455	$ 13,663	$ 48,273	$ 8,330	$ 2,496	$ 300,876	$ 13,074	$ 724,167
Total Revenues	$ 337,455	$ 13,663	$ 48,273	$ 8,330	$ 2,496	$ 300,876	$ 13,074	$ 724,167
EXPENDITURES								
Instruction								
Other Salaries for Instruction			$ 37,520			$ 9,274		$ 46,794
Purchased Professional & Technical Svcs.								-
Purchased Professional & Educational Svc.			5,505	$ 483				5,988
Other Purchased Service	$ 305,509	$ 11,307						316,816
General Supplies	-	-	49	7,847	$ 273	150,518	$ 11,874	170,561
Total Instruction	305,509	11,307	43,074	8,330	273	159,792	11,874	540,159
Support Services								
Salaries						56,778		56,778
Personal Services- Employee Benefits			5,199					5,199
Purchased Professional Educational Svcs.					2,223			2,223
Purchased Professional & Technical Svcs.	25,197	2,356				1,955	1,200	30,708
Other Purchased Service	6,749					18,448		25,197
General Supplies	-	-	-	-	-	18,295	-	18,295
Total Support Services	31,946	2,356	5,199	-	2,223	95,476	1,200	138,400
Facilities Acquisition and Constructions Services								
Instructional Equipment	-	-	-	-	-	45,608	-	45,608
Total Facilities & Acq. Services	-	-	-	-	-	45,608	-	45,608
Total Expenditures	$ 337,455	$ 13,663	$ 48,273	$ 8,330	$ 2,496	$ 300,876	$ 13,074	$ 724,167

EXHIBIT E-2

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOT APPLICABLE

CAPITAL PROJECTS FUND

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Project Number	Issue/Project Title	Appropriation	Expenditures To Date		Unexpended Balance June 30, 2010
			Prior Years	Current Year	
3	Traphagen Classroom Building Upgrades Project #3	$ 550,000	$ 505,392	$ 44,608	
4	Traphagen Classroom Building Upgrade Project #9 and Other Upgrades	875,511	647,271	112,415	$ 115,825
5	Electrical Upgrade	302,363	295,298		7,065
6	Traphagen Classroom Building Upgrade Project #10	678,561	617,384		61,177
7	Crescent Roof	390,565	374,788		15,777
8	Traphagen Classroom Building Upgrades Project #7 & 8	1,355,570	60,409	1,043,835	251,326
	Total	$ 4,152,570	$ 2,500,542	$ 1,200,858	$ 451,170
			Fund Balance		$ 451,170

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Project Number		
3	Traphagen Classroom Building Upgrades Project #3	
	Local Share	$ 550,000
4	Traphagen Classroom Building Upgrades Project #9	
	Local Share 2007-2008 Budget	$ 875,511
5	Electrical Upgrade	
	Local Share 2007-2008 Budget	$ 302,363
6	Traphgen Classroom Building Upgrades Project #10	
	Local Share 2007-2008 Budget	$ 48,561
	Local Share 2008-2009 Budget	630,000
		$ 678,561

Project Number		
7	Crescent Roof	
	Local Share 2007-2008 Budget	$ 45,565
	Local Share 2008-2009 Budget	345,000
		$ 390,565
8	Traphagen Classroom Building Upgrades Projects #7 & #8	
	Local Share- 2009-2010	$ 908,170
	State Share SDA	447,400
		$ 1,355,570

EXHIBIT F-2

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

Revenues and Other Financing Sources	
SDA Grant Revenue	$ 464,700
Transfer- In From Capital Outlay	908,170
Interest Earned on Investments	3,506
Total Revenues and Other Financing Sources	1,376,376
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	19,742
Construction Services	1,130,267
Equipment purchases	50,849
Transfer Out to General Fund	20,806
Total Expenditures and Other Financing Uses	1,221,664
Excess (deficiency) or revenues over (under) expenditures	154,712
Fund Balance- Beginning	296,458
Fund Balance- Ending	$ 451,170

EXHIBIT F-2A

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS-BUDGETARY BASIS
TRAPHAGEN BUILDING CLASSROOM UPGRADES #3
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grants			-	-
Transfer In- Capital Outlay	$ 550,000	-	$ 550,000	$ 550,000
Total revenues	550,000	-	550,000	550,000
Expenditures and Other Financing Uses				
Purchased professional and technical services	31,899		31,899	31,899
Land and improvements				
Construction Services	473,493	$ 44,608	518,101	518,101
Equipment/Supply purchases		-	-	-
Total Expenditures	505,392	44,608	550,000	550,000
Excess (deficiency) or revenues over (under) expenditures	$ 44,608	$ (44,608)	$ -	$ -

Additional project information:	
Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	550,000
Additional Authorized Cost	N/A
Revised Authorized Cost	550,000
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	12/31/2007
Revised target completion date	12/31/2009

EXHIBIT F-2B

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS-
BUDGETARY BASIS
TRAPHAGEN BUILDING CLASSROOM UPGRADES #9 AND DISTRICT FACILITIES AND ELECTRICAL UPGRADE
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grants				
Transfer In- Capital Outlay	$ 1,177,874	-	$ 1,177,874	$ 1,177,874
Total revenues	1,177,874	-	1,177,874	1,177,874
Expenditures and Other Financing Uses				
Purchased professional and technical services	104,446		104,446	104,446
Land and improvements				
Construction Services	838,123	$ 112,415	950,538	950,538
Equipment/Supply purchases		-	-	-
Total Expenditures	942,569	112,415	1,054,984	1,054,984
Excess (deficiency) or revenues over (under) expenditures	$ 235,305	$ (112,415)	$ 122,890	$ 122,890
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,177,874			
Additional Authorized Cost	N/A			
Revised Authorized Cost	1,177,874			
Percentage Increase over Original Authorized Cost	N/A			
Percentage completion	90%			
Original target completion date	12/31/108			
Revised target completion date	12/31/2009			

EXHIBIT F-2C

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS-
BUDGETARY BASIS
TRAPHAGEN CLASSROOM BUILDING UPGRADE PROJECT #10
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grants				
Transfer In- Capital Outlay	$ 678,561		$ 678,561	$ 678,561
Total revenues	678,561	-	678,561	678,561
Expenditures and Other Financing Uses				
Purchased professional and technical services	51,290		51,290	51,290
Land and improvements				
Construetion Services	548,570		548,570	548,570
Equipment/Supply purchases	17,524		17,524	17,524
Total Expenditures	617,384	-	617,384	617,384
Excess (deficiency) or revenues over (under) expenditures	$ 61,177	$ -	$ 61,177	$ 61,177

Additional project information:	
Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	678,561
Additional Authorized Cost	N/A
Revised Authorized Cost	678,561
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	95%
Original target completion date	6/30/2008
Revised target completion date	12/31/2009

EXHIBIT F-2D

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS-
BUDGETARY BASIS
CRESCENT ROOF
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grants				
Transfer In- Capital Outlay	$ 390,565		$ 390,565	$ 390,565
Total revenues	390,565	-	390,565	390,565
Expenditures and Other Fiuancing Uses				
Purchased professional and technical services	46,067		46,067	46,067
Land and improvements				
Construction Services	328,721		328,721	328,721
Equipment/Supply purchases		-	-	-
Total Expenditures	374,788	-	374,788	374,788
Excess (deficiency) or revenues over (under) expenditures	$ 15,777	$ -	$ 15,777	$ 15,777

Additional project information:	
Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	390,565
Additional Authorized Cost	N/A
Revised Authorized Cost	390,565
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	12/3/108
Revised target completion date	12/31/2008

EXHIBIT F-2E

WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS-BUDGETARY BASIS
TRAPHAGEN CLASSROOM BUILDING UPGRADES PROJECT #7 & 8
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grants		$ 908,170	$ 908,170	$ 908,170
Transfer In- Capital Outlay	-	447,400	447,400	447,400
Total revenues	-	1,355,570	1,355,570	1,355,570
Expenditures and Other Financing Uses				
Purchased professional and technical services	$ 60,409	$ 19,742	$ 80,151	$ 80,151
Land and improvements				
Construction Services	-	973,244	973,244	973,244
Equipment/Supply purchases		50,849	50,849	50,849
Total Expenditures	60,409	1,043,835	1,104,244	1,104,244
Excess (deficiency) or revenues over (under) expenditures	$ (60,409)	$ 311,735	$ 251,326	$ 251,326

Additional project information:

Project Number	5410-050-09-2001
Grant Date	Not Available Agreement has not been executed; Preliminary Eligible Cost Only
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,513,616
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	0%
Original target completion date	12/31/2009
Revised target completion date	12/31/2009

PROPRIETARY FUNDS

EXHIBIT G-1

WALDWICK BOARD OF EDUCATION
PROPRIETARY FUND
COMBINING SCHEDULE OF NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

EXHIBIT H-1

WALDWICK BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING SCHEDULE OF AGENCY NET ASSETS
AS OF JUNE 30, 2010

	Student Activity	Payroll	Total Agency Funds 2010
ASSETS			
Cash and Cash Equivalents	$ 61,695	$ 9,817	$ 71,512
Due from Other Funds	-	5,370	5,370
Total Assets	$ 61,695	$ 15,187	$ 76,882
LIABILITIES			
Payroll Deductions and Withholdings		$ 15,187	$ 15,187
Due to Student Groups	$ 61,695	-	61,695
Total Liabilities	$ 61,695	$ 15,187	$ 76,882

EXHIBIT H-2

COMBINING SCHEDULE OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

EXHIBIT H-3

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

	Balance, July 1, 2009	Cash Receipts	Cash Disbursements	Balance, June 30, 2010
Middle School Activities	$ 29,786	$ 79,898	$ 80,273	$ 29,411
High School Activities	40,443	107,477	115,636	32,284
Athletic Account	-	50,487	50,487	-
Total All Schools	$ 70,229	$ 237,862	$ 246,396	$ 61,695

EXHIBIT H-4

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

	Balance, July 1, 2009	Cash Receipts	Cash Disbursements	Balance, June 30, 2010
Payroll Deductions and Withholdings	$ 9,950	$ 6,956,666	$ 6,951,429	$ 15,187
Accrued Salaries and Wages	-	9,809,076	9,809,076	-
Total	$ 9,950	$ 16,765,742	$ 16,760,505	$ 15,187

LONG-TERM DEBT

EXHIBIT I-1

WALDWICK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate		Balance, July 1, 2009	Decreased	Balanee, June 30, 2010
School Improvements	9/15/2002	$ 9,021,000	9/15/2010	$ 405,000	3.75	%			
			9/15/2011	425,000	3.75				
			9/15/2012	445,000	3.75				
			9/15/2013	465,000	3.80				
			9/15/2014	485,000	3.85				
			9/15/2015	510,000	4.00				
			9/15/2016	535,000	4.10				
			9/15/2017	560,000	4.20				
			9/15/2018	585,000	4.30				
			9/15/2019	610,000	4.40				
			9/15/2020	625,000	4.50				
			9/15/2021	635,000	4.60				
			9/15/2022	636,000	4.60		$ 7,311,000	$ 390,000	$ 6,921,000

EXHIBIT I-2

WALDWICK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOT APPLICABLE

EXHIBIT I-3

DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	$ 685,909	$ -	$ 685,909	$ 685,909	-
Total Revenues	685,909	-	685,909	685,909	-
EXPENDITURES					
Regular Debt Service					
Principal	390,000		390,000	390,000	
Interest	295,909	-	295,909	295,909	-
Total Expenditures	685,909	-	685,909	685,909	-
Excess /(Deficit) of Revenue and Other Financing Sources Over /(Under) Expenditures	-		-	-	-
Fund Balance, Beginning of Year	-	-	-	1	-
Fund Balance, End of Year	$ -	$ -	$ -	$ 1	$ -

STATISTICAL SECTION

This part of the Waldwick Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

WALDWICK BOARD OF EDUCATION
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	$ 2,595,060	$ 3,981,988	$ 3,764,138	$ 5,212,221	$ 5,858,795	$ 6,639,746	$ 7,913,210	$ 8,979,074
Restricted	2,042	159,091	1,178,216	207,337	1	1	296,460	451,172
Unrestricted	(248,608)	402,251	530,720	1,008,554	1,865,043	1,818,625	796,338	1,346,300
Total Governmental Activities Net Assets	$ 2,348,494	$ 4,543,330	$ 5,473,074	$ 6,428,112	$ 7,723,839	$ 8,458,372	$ 9,006,008	$ 10,776,546
Business-Type Activities								
Invested in Capital Assets	$ 11,470	$ 12,036	$ 10,108	$ 8,180	$ 6,268	$ 4,677	$ 4,086	$ 3,495
Restricted								
Unrestricted	14,736	7,753	8,795	6,120	9,367	6,375	14,373	21,076
Total Business-Type Activities Net Assets	$ 26,206	$ 19,789	$ 18,903	$ 14,300	$ 15,635	$ 11,052	$ 18,459	$ 24,571
District-Wide								
Invested in Capital Assets	$ 2,606,530	$ 3,994,024	$ 3,774,246	$ 5,220,401	$ 5,865,063	$ 6,644,423	$ 7,917,296	$ 8,982,569
Restricted	2,042	159,091	1,178,216	207,337	1	1	296,460	451,172
Unrestricted	(233,872)	410,004	539,515	1,014,674	1,874,410	1,825,000	810,711	1,367,376
Total District Net Assets	$ 2,374,700	$ 4,563,119	$ 5,491,977	$ 6,442,412	$ 7,739,474	$ 8,469,424	$ 9,024,467	$ 10,801,117

Source: District's Financial Records
Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities								
Instruction								
Regular	$ 8,430,064	$ 8,469,499	$ 8,846,227	$ 9,327,843	$ 10,241,930	$ 10,649,665	$ 10,398,420	$ 10,462,871
Special education	2,595,914	2,988,550	3,782,188	4,067,361	4,728,946	5,311,435	5,204,688	5,359,297
Other instruction	636,015	772,459	628,035	726,589	864,129	911,291	903,437	833,081
School Sponsored Activities and Athletics	446,193	484,998	485,519	621,567	639,115	784,616	699,609	749,276
Support Services:								
Student & instruction related services	1,696,295	1,738,687	1,873,024	2,024,677	2,253,514	2,549,129	2,633,227	2,777,747
Health Services	231,640	242,395	258,968	293,608	311,730	321,422	314,932	329,014
Educational Media/School Library	303,744	247,107	243,184	161,600	250,368	277,539	260,573	286,308
School Administrative services	1,051,690	1,199,298	992,026	1,026,997	1,242,768	1,351,888	1,228,711	1,309,276
General administration	509,446	545,153	723,809	708,311	676,777	689,743	636,014	1,007,466
Central Services			539,149	632,759	666,680	711,020	732,690	825,522
Plant operations and maintenance	1,418,015	1,551,561	1,941,903	2,070,039	2,143,841	2,182,993	2,142,604	2,168,813
Pupil transportation	496,416	553,301	642,599	652,416	703,085	760,898	723,672	554,171
Other support services	473,701	563,810						
Interest on long-term debt	321,722	374,857	382,651	357,583	332,174	325,213	309,505	295,034
Total governmental activities expenses	18,610,855	19,731,675	21,339,282	22,671,350	25,055,057	26,826,852	26,188,082	26,957,876
Business-type activities:								
Food service	292,992	315,311	330,085	328,165	328,545	304,198	283,072	253,883
Total business-type activities expense	292,992	315,311	330,085	328,165	328,545	304,198	283,072	253,883
Total district expenses	$ 18,903,847	$ 20,046,986	$ 21,669,367	$ 22,999,515	$ 25,383,602	$ 27,131,050	$ 26,471,154	$ 27,211,759
Program Revenues								
Governmental activities:								
Charges for services:								
Instruction (tuition)				$ 24,543	$ 17,000	$ 52,523	$ 133,202	$ 60,068
Operating grants and contributions	$ 2,907,059	$ 3,240,352	$ 3,405,339	3,665,671	4,386,922	4,489,977	3,365,029	4,081,617
Capital grants and contributions	16,415	1,809,086	669,114	302,488	-	-	-	464,700
Total governmental activities program revenues	2,923,474	5,049,438	4,074,453	3,992,702	4,403,922	4,542,500	3,498,231	4,606,385
Business-type activities:								
Charges for services								
Food service	$ 241,050	$ 261,626	$ 282,200	$ 321,189	$ 327,330	$ 296,475	$ 287,683	$ 258,302
Operating grants and contributions	1,645	1,435	1,848	2,373	2,550	3,140	2,796	1,693
Total business type activities program revenues	242,695	263,061	284,048	323,562	329,880	299,615	290,479	259,995
Total district program revenues	$ 3,166,169	$ 5,312,499	$ 4,358,501	$ 4,316,264	$ 4,733,802	$ 4,842,115	$ 3,788,710	$ 4,866,380
Net (Expense)/Revenue								
Governmental activities	$ (15,687,381)	$ (14,682,237)	$ (17,264,829)	$ (18,678,648)	$ (20,651,135)	$ (22,284,352)	$ (22,689,851)	$ (22,351,491)
Business-type activities	(50,297)	(52,250)	(46,037)	(4,603)	1,335	(4,583)	7,407	6,112
Total district-wide net expense	$ (15,737,678)	$ (14,734,487)	$ (17,310,866)	$ (18,683,251)	$ (20,649,800)	$ (22,288,935)	$ (22,682,444)	$ (22,345,379)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes levied	$ 15,059,564	$ 16,649,596	$ 17,913,215	$ 19,223,266	$ 21,471,456	$ 21,873,517	$ 22,225,527	$ 23,225,756
Taxes Levied for Debt Service						678,752	680,160	685,909
Unrestricted state aid		165,893	210,673	213,730	210,700	250,577	194,091	119,362
Miscellaneous income	230,950	107,417	115,836	196,690	258,821	216,039	137,709	91,002
Donation of Capital Asset					5,885			
Transfers	(48,657)	(45,833)	(45,151)	-	-	-	-	-
Total governmental activities	15,241,857	16,877,073	18,194,573	19,633,686	21,946,862	23,018,885	23,237,487	24,122,029
Business-type activities:								
Investment earnings								
Transfers	48,657	45,833	45,151	-	-	-	-	-
Total business-type activities	48,657	45,833	45,151	-	-	-	-	-
Total district-wide	$ 15,290,514	$ 16,922,906	$ 18,239,724	$ 19,633,686	$ 21,946,862	$ 23,018,885	$ 23,237,487	$ 24,122,029
Change in Net Assets								
Governmental activities	$ (445,524)	$ 2,194,836	$ 929,744	$ 955,038	$ 1,295,727	$ 734,533	$ 547,636	$ 1,770,538
Business-type activities	(1,640)	(6,417)	(886)	(4,603)	1,335	(4,583)	7,407	6,112
Total district	$ (447,164)	$ 2,188,419	$ 928,858	$ 950,435	$ 1,297,062	$ 729,950	$ 555,043	$ 1,776,650

Source: District's Financial Records

Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
General Fund								
Reserved	$ 24,501	$ 297,007	$ 452,38J	$ J,125,888	$ 1,852,331	$ 1,276,248	$ 984,341	$ 1,237,410
Unreserved	685,171	497,301	477,055	362,594	395,996	502,716	310,447	519,090
Total general fund	$ 709,672	$ 794,308	$ 929,436	$ 1,488,482	$ 2,248,327	$ 1,778,964	$ 1,294,788	$ 1,756,500
All Other Governmental Funds								
Reserved	$ 5,260,511	$ 1,597,410	$ 688,116	$ 584,427	$ 203,815	$ 145,001	$ 1,014,514	
Unreserved	706,069	922,118	490,099	370,031	223,498	544,144	(718,055)	$ 451,171
Total All Other Governmental Funds	$ 5,966,580	$ 2,519,528	$ 1,178,215	$ 954,458	$ 427,313	$ 689,145	$ 296,459	$ 451,171

Source: District's Financial Records

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Tax levy	$ 15,059,564	$ 16,649,596	$ 17,913,215	$ 19,223,266	$ 21,471,456	$ 22,552,269	$ 22,905,687	$ 23,911,665
Miscellaneous	227,949	107,417	115,836	221,233	275,821	269,259	270,911	151,070
State sources	2,605,701	4,845,191	3,885,857	3,762,716	4,175,452	4,321,715	3,137,506	3,904,630
Federal sources	317,773	370,140	399,269	419,173	422,170	418,142	421,614	761,049
Total revenue	18,210,987	21,972,344	22,314,177	23,626,388	26,344,899	27,561,385	26,735,718	28,728,414
Expenditures								
Instruction								
Regular Instruction	8,123,271	8,485,431	8,703,236	9,078,150	10,014,078	10,385,285	10,187,612	10,192,123
Special education instruction	2,571,580	2,991,672	3,747,088	3,999,858	4,656,637	5,224,817	5,128,677	5,257,903
Other instruction	615,544	773,798	619,230	709,641	845,843	890,313	884,119	811,810
School sponsored activities and athletics	439,634	485,799	479,038	608,140	626,202	767,046	684,821	728,963
Support Services:								
Student & inst. related services	1,673,989	1,741,437	1,847,540	1,975,166	2,207,982	2,493,475	2,580,433	2,725,601
Health Services	227,820	242,847	255,035	285,924	304,402	313,152	307,729	319,298
Educational Media/School Library	288,121	247,572	239,662	157,822	245,232	271,222	255,022	278,621
General administration	499,245	545,773	976,274	700,600	666,384	678,065	625,697	1,012,714
School administrative services	1,033,194	1,201,710	716,155	1,003,611	1,212,770	1,316,747	1,198,531	1,274,952
Central services			531,040	620,558	654,754	697,763	720,547	808,683
Plant operations and maintenance	1,399,516	1,553,542	1,921,537	2,033,430	2,108,985	2,144,215	2,109,389	2,127,126
Pupil transportation	496,180	550,870	640,028	647,997	698,600	756,232	718,724	548,674
Other Support Services	465,415	552,848						
Capital outlay	2,687,995	5,278,019	1,933,378	785,932	1,237,411	1,096,221	1,531,120	1,339,613
Principal	350,226	74,127	479,890	333,712	359,039	408,378	370,000	390,000
Interest and other charges	26,893	563,482	386,080	350,558	339,407	325,985	310,159	295,909
Total expenditures	20,898,623	25,288,927	23,475,211	23,291,099	26,177,726	27,768,916	27,612,580	28,111,990
Excess (Deficiency) of revenues over (under) expenditures	(2,687,636)	(3,316,583)	(1,161,034)	335,289	167,173	(207,531)	(876,862)	616,424
Other Financing sources (uses)								
Proceeds from borrowing	9,021,000							
Premium on Bonds	960							
Accrued interest on bonds	2,041							
Capital Leases (Non-Budget)					65,527			
Transfers in	90,363	30,766	117,166	490,871	578,344	1,290,240	987,628	928,976
Transfers out	(139,020)	(76,599)	(162,317)	(490,871)	(578,344)	(1,290,240)	(987,628)	(928,976)
Total other financing sources (uses)	8,975,344	(45,833)	(45,151)	-	65,527	-	-	-
Net change in fund balances	$ 6,287,708	$ (3,362,416)	$ (1,206,185)	$ 335,289	$ 232,700	$ (207,531)	$ (876,862)	$ 616,424
Debt service as a percentage of noncapital expenditures	2.07%	3.19%	4.02%	3.04%	2.80%	2.75%	2.61%	2.56%

* Noncapital expenditures are total expenditures less capital outlay.
Source: District Financial Records
Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Tuition	Interest on Investments	Transportation Fees	Health Benefits/ Insurance Rebate	Prior Year Tuition Refunds	Gate Receipts	Misc.	Total
2001	$ 28,992	$ 58,221	$ 6,290	$ 18,015		$ 6,635	$ 47,136	$ 165,289
2002	44,727	5,123		43,482	$ 12,440	4,274	44,416	154,462
2003	25,442	5,042	13,415	82,931	1,811	4,557	7,088	140,286
2004	11,777	3,203	23,500	11,801	4,628	4,286	17,456	76,651
2005	6,425	22,530			21,010	5,853	22,852	78,670
2006	24,543	81,693	13,888		18,512	9,809	35,945	184,390
2007	17,000	186,683				7,275	36,519	247,477
2008	52,523	165,750				3,799	28,250	250,322
2009	133,202	48,780				3,136	73,165	258,283
2010	60,068	30,688			11,373	3,997	41,438	147,564

Source: District records (GAAP Basis)

WALDWICK BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [a]
2001	$ 3,807,200	$ 594,563,600	$ 258,900	$ 5,300	$ 61,335,000	$ 19,254,600	N/A	$ 679,224,600	$ 551,254	$ 679,775,854	$ 910,755,938	$ 2.130
2002	3,794,700	596,992,700	258,900	5,300	60,870,800	19,104,600	N/A	681,027,000	540,421	681,567,421	982,815,973	2.180
2003	4,736,300	598,059,700	258,900	5,300	59,476,900	19,104,600	N/A	681,641,700	546,701	682,188,401	1,017,602,799	2.340
2004	4,696,700	603,024,000	258,900	5,300	59,459,600	17,694,100	N/A	685,138,600	487,985	685,626,585	1,135,628,721	2.530
2005	19,616,200	1,371,936,400	N/A	N/A	112,843,900	30,432,200	N/A	1,534,828,700	791,631	1,535,620,331	1,283,274,653	1.210
2006	18,657,600	1,376,003,400	N/A	N/A	112,790,200	29,872,200	N/A	1,537,323,400	732,807	1,538,056,207	1,653,646,067	1.320
2007	17,090,900	1,389,511,900	N/A	N/A	112,990,300	29,872,200	N/A	1,549,465,300	1,067,676	1,550,532,976	1,671,336,331	1.420
2008	15,491,500	1,397,629,300	N/A	N/A	118,400,700	29,589,600	N/A	1,561,111,100	1,153,803	1,562,264,903	1,716,112,560	1.460
2009	16,308,700	1,400,421,800	N/A	N/A	125,097,600	29,589,600	N/A	1,571,417,700	1,354,307	1,572,772,007	1,791,321,238	1.489
2010	16,310,500	1,384,119,500	N/A	N/A	126,610,400	29,589,600	N/A	1,556,630,000	1,578,554	1,558,098,687	1,679,032,604	2.325

Source: County Abstract of Ratables

a Tax rates are per $100

Note: The Borough underwent a revaluation of property effective January 1, 2005.

WALDWICK BOARD OF EDUCATION
PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
PER $100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

Calendar Year	Total	Local School District	Municipality (1)	County (1)
2010	$ 2.325	$ 1.564	$ 0.549	$ 0.212
2009	2.228	1.489	0.519	0.220
2008	2.158	1.455	0.499	0.204
2007	2.09	1.42	0.47	0.20
2006	1.96	1.32	0.46	0.18
2005	1.81	1.21	0.43	0.17
2004	3.74	2.53	0.87	0.34
2003	3.44	2.34	0.78	0.32
2002	3.23	2.18	0.73	0.32
2001	3.10	2.13	0.67	0.30

(1) Includes Open Space Tax.

Note: The Borough underwent a revaluation of property effective January 1, 2005.

Source: Tax Duplicate, Borough of Waldwick

WALDWICK BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	2010 Taxable Assessed Value	2010 % of Total District Net Assessed Value	2001 Taxable Assessed Value	2001 % of Total District Net Assessed Value
Waldwick Spash Park LLc	$ 10,900,000	0.70%		
LKD Realty Inc.	7,367,800	0.47%	Not Available	
Public Service Electric & Gas	5,214,700	0.33%		
Hamilton Properties	5,177,300	0.33%		
Franklin Assets Inc	4,302,100	0.27%		
Med Tech Partners LLC	3,766,600	0.24%		
Waldwick North LLC	3,600,000	0.23%		
Lesterick Corp. Inc.	3,503,100	0.22%		
Waldwick Shopping Center	3,473,400	0.22%		
Wyckoff Ave Assoc. LLC	3,341,700	0.21%		
Urstadt Biddle Property Inc.	3,159,300	0.20%		
	$ 53,806,000	3.44%	$ -	0.00%

Source: Municipal Tax Assessor

WALDWICK BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2001	$ 14,307,498	$ 14,307,498	100.00%	-
2002	14,704,995	14,704,995	100.00%	-
2003	15,059,564	15,059,564	100.00%	-
2004	16,649,596	16,649,596	100.00%	-
2005	17,913,215	17,913,215	100.00%	-
2006	19,223,266	19,223,266	100.00%	-
2007	21,471,456	21,471,456	100.00%	-
2008	22,552,269	22,552,269	100.00%	-
2009	22,905,687	22,905,687	100.00%	-
2010	23,911,665	23,911,665	100.00%	-

EXHIBIT J-10

WALDWICK BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SIX FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Leases	Total District	Population	Per Capita
2005	$ 8,701,000	$ 15,602	$ 8,716,602	9,492	$ 918
2006	8,376,000	6,890	8,382,890	9,420	890
2007	8,036,000	53,378	8,089,378	9,408	860
2008	7,681,000	-	7,681,000	9,481	810
2009	7,311,000	-	7,311,000	9,586	763
2010	6,921,000	-	6,921,000	9,586	722

Source: District records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST SIX FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2005	$ 8,701,000	-	$ 8,701,000	0.57%	$ 917
2006	8,376,000	-	8,376,000	0.56%	889
2007	8,036,000	-	8,036,000	0.52%	854
2008	7,681,000	-	7,681,000	0.49%	810
2009	7,311,000	-	7,311,000	0.46%	763
2010	6,921,000	-	6,921,000	0.44%	722

Source: District records

Notes:

a See Exhibit J-6 for property tax data.
b See Exhibit J-14 for population data.

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR YEAR ENDED DECEMBER 31, 2009
(UNAUDITED)

	Total Debt
Debt:	
School District	$ 6,921,000
Borough of Waldwick	14,588,993
Total Direct Debt	21,509,993
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	6,511,662
Northwest Bergen Regional Sewerage Authority (B)	3,609,419
	10,121,081
Total Direct and Overlapping Debt	$ 31,631,074

(A) The debt for this entity was apportioned to the Borough of Waldwick by dividing the Municipality's 2009 equalized value by the total 2009 equalized value for Bergen County.

(B) Overlapping debt was computed based upon municipal flow to the Authority.

Sources:

(a) Borough of Waldwick 2009 Annual Debt Statement

Source: School District Financial Statements

WALDWICK BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2009

	Equalized valuation basis	
	2009	$ 1,688,970,013
	2008	1,773,788,320
	2007	1,697,672,072
		$ 5,160,430,405
Average equalized valuation of taxable property		$ 1,720,143,468
Debt limit (4 % of average equalization value)		68,805,739 a
Total Net Debt Applicable to Limit		6,921,000
Legal debt margin		$ 61,884,739

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	$ 32,745,040	$ 34,707,721	$ 37,267,871	$ 40,783,663	$ 45,417,767	$ 51,776,232	$ 58,806,819	$ 64,528,576	$ 68,324,248	$ 68,805,739
Total net debt applicable to limit	-	11,194,000	11,194,000	11,194,000	8,701,000	8,376,000	8,036,000	7,681,000	7,311,000	6,921,000
Legal debt margin	$ 32,745,040	$ 23,513,721	$ 26,073,871	$ 29,589,663	$ 36,716,767	$ 43,400,232	$ 50,770,819	$ 56,847,576	$ 61,013,248	$ 61,884,739
Total net debt applicable to the limit as a percentage of debt limit	0.00%	32.25%	30.04%	27.45%	19.16%	16.18%	13.67%	11.90%	10.70%	10.06%

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

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

WALDWICK BOARD OF EDUCATION
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)

Year Ended December 31,	Unemployment Rate	Per Capita Income(1)	Population
2000	3.5%	$ 51,467	9,618
2001	4.1%	52,102	9,580
2002	5.7%	51,931	9,543
2003	5.6%	51,291	9,538
2004	4.6%	54,669	9,532
2005	1.9%	56,963	9,492
2006	2.0%	63,021	9,420
2007	1.8%	67,113	9,408
2008	2.3%	67,696	9,481
2009	4.3%	N/A	9,586

(1) County of Bergen

Source: United States Bureau of Census
U.S. Dept. of Commerce

WALDWICK BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

NOT AVAILABLE

EXHIBIT J-16

WALDWICK BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS
(Unaudited)

Function/Program	2006	2007	2008	2009	2010
Instruction					
Regular	98	104	108	114	112
Special education	23	23	22	20	20
Other special education	21	21	25	25	25
Support Services:					
Student & Instruction related services	20	24	28	27	29
General administration	4	3	3	3	3
School administrative services	9	10	10	10	10
Central services	5	5	5	5	5
Plant operations and maintenance	22	20	20	20	20
Pupil transportation	2	2	2	3	2
Total	204	212	223	225	226

Source: District Personnel Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only five years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment [a]	Operating Expenditures [b]	Cost Per Pupil [c]	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2001	1,490	$ 17,056,391	$ 11,447	1.78%	145	1:20	1:15	1:15	1,490	1,430	2.90%	95.97%
2002	1,498	17,412,859	11,624	1.54%	155	1:15	1:09	1:09	1,498	1,441	0.54%	96.19%
2003	1,545	17,916,643	11,597	-0.24%	147	1:16	1:10	1:10	1,512	1,452	0.93%	96.03%
2004	1,532	19,481,770	12,717	9.66%	142	1:16	1:09	1:09	1,499	1,439	-0.86%	96.00%
2005	1,545	20,703,438	13,400	5.38%	138	1:16	1:10	1:10	1,517	1,449	1.20%	95.52%
2006	1,595	21,844,630	13,696	2.20%	144	1:15	1:11	1:09	1,573	1,496	3.69%	95.10%
2007	1,608	24,241,869	15,076	10.08%	148	1:14	1:12	1:12	1,579	1,513	0.38%	95.82%
2008	1,610	25,938,332	16,111	6.87%	134	1:12	1:09	1:09	1,582	1,529	0.19%	96.65%
2009	1,606	25,401,301	15,817	-1.83%	136	1:12	1:09	1:10	1,582	1,517	0.00%	95.89%
2010	1,590	26,086,468	16,407	3.73%	138	1:12	1:10	1:10	1,582	1,516	0.00%	95.83%

Sources: District records

Note:
a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures (modified accrual) less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

EXHIBIT J-18

WALDWICK BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST FIVE FISCAL YEARS
(Unaudited)

	2006	2007	2008	2009	2010
District Building					
Elementary					
Crescent					
Square Feet	34,500	34,500	34,500	34,500	34,500
Capacity (students)					
Enrollment	353	367	378	354	360
Traphagen					
Square Feet	33,300	33,300	33,300	33,300	33,300
Capacity (students)					
Enrollment	416	401	392	397	408
Middle School					
Square Feet					
Capacity (students)					
Enrollment	387	373	373	372	369
High School					
Square Feet	157,889	157,889	157,889	157,889	157,889
Capacity (students)					
Enrollment	418	443	439	459	438

Number of Schools at June 30, 2010
- Elementary = 2
- Middle School = 1
- Senior High School = 1

Source: District Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only five years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

WALDWICK BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES 11-000-261-XXX		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
School Facilities	**Projeet #(s)**										
Crescent E.S.	N/A	$ 146,299	$ 143,090	$ 121,006	$ 28,220	$ 37,820	$ 27,463	$ 28,818	$ 30,909	$ 34,508	
Traphagen E.S.	N/A	120,665	117,376	99,260	23,149	36,505	26,508	27,817	29,834	33,307	
Waldwick Jr/Sr High School	N/A	566,173	549,963	465,085	108,464	173,084	125,687	131,890	141,455	157,924	-
Grand Total		$ 833,137	$ 810,429	$ 685,351	$ 159,833	$ 247,409	$ 179,658	$ 188,525	$ 202,198	$ 225,739	$ -

Source: School District's Financial Statements

WALDWICK BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2010
(Unaudited)

	Coverage	Deductible
Selective Insurance		
Package Policy		
Property- Blanket Building and Contents*	$ 56,560,915	$ 5,000
Earthquake/Flood (Outside Zones A&V)	5,000,000	50,000
Flood Zone B	2,000,000	100,000
Flood Zones A & V	1,000,000	500,000
Automobile*	1,000,000	1,000
Comprehensive General Liability*	1,000,000	
Crime	100,000 per employee 400,000 Excess	5,000
Forgery & Alterations	50,000	1,000
Boiler and Machinery*	Included in Property Coverage	1,000
Environmental	1,000,000 per occurrence 3,000,000 aggregate	15,000
Educator's Legal Liability	1,000,000	10,000
Employment Practices	1,000,000	25,000
Commercial Umbrella*	9,000,000	10,000
Excess Umbrella	50,000,000 group aggregate	

Source: School District's records

*Pool coverage for the Northeast Bergen County School Board Insurance Group.

SINGLE AUDIT SECTION

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REGISTERED MUNICIPAL ACCOUNTANTS

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Trustees
Waldwick Board of Education
Waldwick, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Waldwick Board of Education as of and for the fiscal year ended June 30, 2010, which collectively comprise the Waldwick Board of Education's basic financial statements and have issued our report thereon dated October 19, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

However, we noted certain matters that we have reported to management of the Waldwick Board of Education in a separate report entitled, "Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 19, 2010.

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

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 19, 2010

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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

Honorable President and Members
of the Board of Trustees
Waldwick Board of Education
Waldwick, New Jersey

Compliance

We have audited the Waldwick Board of Education's compliance 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 OMB Circular 04-04 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of Waldwick Board of Education's major federal and state programs for the fiscal year ended June 30, 2010. Waldwick Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Waldwick Board of Education's management. Our responsibility is to express an opinion on Waldwick Board of Education's compliance based on our audit.

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

In our opinion, Waldwick Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2010.

Internal Control Over Compliance

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

A 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 and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis.

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

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

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 19, 2010

WALDWICK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance July 1, 2009	Carryover Amount	Cash Received	Budgetary Expenditures	Refuud of Prior Year's Balances	Adjustment	Balance, June 30, 2010 (Account Receivable)	Balance, June 30, 2010 Deferred Revenue	Balance, June 30, 2010 Due to Grantor
U.S. Department of Education												
General Fund												
ARRA - SFSF ESF (Educ. State Grants)	84.394	7/1/09-6/30/10	35,507			$ 35,507	$ 35,507					
ARRA - SFEF - GSF (Govt. Services)	84.397	7/1/09-6/30/10	1,375	-	-	1,375	1,375	-	-	-	-	-
				-	-	36,882	36,882	-	-	-	-	-
U.S. Department of Education												
Passed-through State Department of Education												
Special Milk Program	10.556	7/1/09-6/30/10	$ 1,693			1,590	1,693			$ (103)		
Special Milk Program	10.556	7/1/08-6/30/09	2,796	$ (221)	-	221	-	-	-	-	-	-
Total U.S. Department of Agriculture				(221)	-	1,811	1,693	-	-	(103)	-	-
U.S. Department of Education												
Passed-through State Department of Education												
I.D.E.A. Part B, Basic	84.027	9/1/09-8/31/10	337,455	(33,719)		301,104	337,455			(70,070)		
I.D.E.A.Part B, Preschool	84.173	9/1/09-8/31/10	13,663			13,663	13,663					
NCLB Title II A	84.367A	9/1/09-8/31/10	45,175	(6,981)		39,259	48,273			(16,750)	$ 755	
NCLB Title III	84.365A	9/1/09-8/31/10	8,330			8,330	8,330					
NCLB Title IV	84.186A	9/1/09-8/31/10	2,496			2,394	2,496			(102)		
ARRA - I.D.E.A. Part B	84.391	9/1/09-8/31/10	361,145			264,532	300,876			(96,613)	60,269	
ARRA - Preschool Grants	84.392	9/1/09-8/31/10	13,074			-	13,074			(13,074)		
Passed Through Bergen County P.I.C. Workforce Investment Act Title II B C/O	17.250	9/1/08-8/31/09	15,185	(2,751)	-	2,887	-	-	$ (136)	-	-	-
Total U.S. Department of Education				(43,451)	-	632,169	724,167	-	(136)	(196,609)	61,024	-
Total				$ (43,672)	$ -	$ 670,862	$ 762,742	$ -	$ (136)	$ (196,712)	$ 61,024	$ -

Note: This schedule was not subject to the audit requirement of OMB A-133.

EXHIBIT K-4

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2009 (Accounts Receivable)	Balance, July 1, 2009 Deferred Revenue	Balance, July 1, 2009 Due to Grantor	Cash Received	Budgetary Expenditures	Refund of Prior Year's Balances	Adjustments	Balance, June 30, 2010 (Accounts Receivable)	Balance, June 30, 2010 Deferred Revenue	Balance, June 30, 2010 Due to Grantor		GAAP Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund																
Transportation Aid	10-495-034-5120-014	7/1/09-6/30/10	$ 125,009				$ 118,967	$ 125,009			$ (6,042)			*		$ 125,009
Categorical Transportation Aid	09-495-034-5120-014	7/1/08-6/30/09	147,869	$ (7,659)			7,659							*		
Special Education Aid	10-495-034-5120-011	7/1/09-6/30/10	676,083				641,843	676,083			(34,240)			*		676,083
Categorical Special Education Aid	09-495-034-5120-089	7/1/08-6/30/09	864,208	(47,486)			47,486							*		-
Equalization Aid	10-495-034-5120-078	7/1/09-6/30/10	109,582				104,043	109,582			(5,539)			*		109,582
Equalization Aid	09-495-034-5120-078	7/1/08-6/30/09	276,831	(15,318)			15,318							*		-
Categorical Security Aid	10-495-034-5120-084	7/1/09-6/30/10	75,700				71,169	75,700			(4,531)			*		75,700
Categorical Security Aid	09-495-034-5120-084	7/1/08-6/30/09	113,496	(6,128)			6,128							*		-
Extra Ordinary Aid	10-100-034-5120-473	7/1/09-6/30/10	532,526				-	532,526			(532,526)			*		532,526
Extra Ordinary Aid	09-100-034-5120-473	7/1/08-6/30/09	585,969	(585,969)			585,969							*		-
NonPublic Transportation	N/A	7/1/09-6/30/10	5,721				-	5,721			(5,721)			*	$ (5,721)	5,721
NonPublic Transportation	N/A	7/1/08-6/30/09	10,862	(10,862)			10,862				-			*		-
TPAF - Normal Costs	10-495-034-5095-006	7/1/09-6/30/10	41,470				41,470	41,470						*		41,470
Post Retirement Medical Costs	10-495-034-5095-001	7/1/09-6/30/10	778,869				778,869	778,869						*		778,869
On-Behalf TPAF Social Security Aid	10-495-034-5095-002	7/1/09-6/30/10	876,548				832,670	876,548			(43,878)			*	(43,878)	876,548
On-Behalf TPAF Social Security Aid	09-495-034-5095-002	7/1/08-6/30/09	841,418	(41,841)	-	-	41,841	-	-	-	-	-	-	*	-	-
Total General Fund				(715,263)	-	-	3,304,294	3,221,508	-	-	(632,477)	-	-	*	(49,599)	3,221,508
Special Revenue Fund																
New Jersey Nonpublic Aid																
Textbook Aid	10-100-034-5120-064	7/1/09-6/30/10	13,085				13,085	13,085						*		13,085
Textbook Aid	09-100-034-5120-064	7/1/08-6/30/09	11,552			$ 17			$ 17					*		-
Nursing Services	10-100-034-5120-070	7/1/09-6/30/10	15,517				15,517	15,517						*		15,517
Auxiliary Services																
Compensatory Education	10-100-034-5120-067	7/1/09-6/30/10	65,259				65,259	63,301					$ 1,958	*		63,301
Compensatory Education	09-100-034-5120-067	7/1/08-6/30/09	61,710			6,469			6,469				-	*		-
English as a Second Language	10-100-034-5120-067	7/1/09-6/30/10	6,851				6,851	3,756					3,095	*		3,756
English as a Second Language	09-100-034-5120-067	7/1/08-6/30/09	5,075			4,060			4,060				-	*		-
Handicapped Services													-	*		
Examination and Classification	10-100-034-5120-066	7/1/09-6/30/10	23,577				23,577	15,541					8,036	*		15,541
Examination and Classification	09-100-034-5120-066	7/1/08-6/30/09	23,134			11,183			11,183				-	*		-
Corrective Speech	10-100-034-5120-066	7/1/09-6/30/10	19,997				19,997	18,042					1,955	*		18,042
Corrective Speech	09-100-034-5120-066	7/1/08-6/30/09	21,761			7,718	-		7,718				-	*		-
Supplementary Instruction	10-100-034-5120-066	7/1/09-6/30/10	19,114				19,113	9,499					9,614	*		9,499
Supplementary Instruction	09-100-034-5120-066	7/1/08-6/30/09	19,824			6,691			6,691				-	*		-
Technology Initiative Aid	09-100-034-5120-373	7/1/08-6/30/09	8,360	-	-	33	-	-	33	-	-	-	-	*	-	-
Total Special Revenue Fund				-	-	36,171	163,399	138,741	36,171	-	-	-	24,658	*	-	138,741
Capital Projects Fund																
Educational Facilities Construction and Financing Act																
Bathroom Renovation- High/Middle School	5410-030-09-0ZQ1	N/A	17,300					17,300			(17,300)			*	(17,300)	17,300
Traphagen Classroom Renovation	5410-050-09-0LAT	N/A	447,400	-	-	-	-	447,400	-	-	(447,400)	-	-	*	(447,400)	447,400
				-	-	-	-	464,700	-	-	(464,700)	-	-	*	(464,700)	464,700
Total				(715,263)	-	36,171	3,467,693	3,824,949	36,171	-	(1,097,177)	-	24,658	*	(514,299)	3,824,949
TPAF Pension and Annuity Aid																
Normal Costs	10-495-034-5095-006	7/1/09-6/30/10	41,470				41,470	41,470						*		41,470
Post Retirement Medical Costs	10-495-034-5095-001	7/1/09-6/30/10	778,869	-	-	-	778,869	778,869	-	-	-	-	-	*	-	778,869
				-	-	-	820,339	820,339	-	-	-	-	-	*	-	820,339
Total for State Financial Assistance Determination				$ (715,263)	$ -	$ 36,171	$ 2,647,354	$ 3,004,610	$ 36,171	$ -	$ (1,097,177)	$ -	$ 24,658	*	$ (514,299)	$ 3,004,610

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and Expenditures of State Financial Assistance

WALDWICK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) to the Board's basic financial statements.

NOTE 3 RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $79,681 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund	$ 36,882	$ 3,301,189	$ 3,338,071
Special Revenue Fund	724,167	138,741	862,908
Capital Projects Fund		464,700	464,700
Food Service Fund	1,693	-	1,693
Total Financial Assistance	$ 762,742	$ 3,904,630	$ 4,667,372

WALDWICK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of $876,548 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2010. The amount reported as TPAF Pension System Contributions in the amount of $41,470 and TPAF Post-Retirement Medical Benefits Contributions in the amount of $778,869 represents the amount paid by the State on behalf of the District for the year ended June 30, 2010.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's basic financial statements and the amount subject to State single audit and major program determination.

WALDWICK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	____ yes	X no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	____ yes	X none
Noncompliance material to basic financial statements noted?	____ yes	X no

Federal Awards Section

Internal Control over compliance:		
1) Material weakness(es) identified?	____ yes	X no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	____ yes	X none
Type of auditors' report 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	X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.037 and 84.173	IDEA Basic and Preschool
84.391 and 84.392	ARRA IDEA Basic and Preschool

Dollar threshold used to determine Type A programs:	$300,000	
Auditee qualified as low-risk auditee?	____ yes	X no

WALDWICK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part I – Summary of Auditor's Results

State Awards Section

Type of auditors' report on compliance for major programs:	Unqualified
Internal Control over compliance:	
1) Material weakness(es) identified?	____ yes __X__ no
2) Were 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 Number(s)	Name of State Program
495-034-5120-014	Categorical Transportation Aid
495-034-5120-089	Categorical Special Education Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5095-002	TPAF Fica
5410-050-09	Education Facilities Construction & Financing Act

Dollar threshold used to determine Type A programs:	$300,000
Auditee qualified as low-risk auditee?	__X__ yes ____ no

WALDWICK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part 2 – Schedule of Financial Statement Findings

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

THERE ARE NONE.

WALDWICK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR FEDERAL AWARDS

THERE ARE NONE.

CURRENT YEAR STATE AWARDS

THERE ARE NONE.

WALDWICK BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

STATUS OF PRIOR YEAR FINDINGS

THERE WERE NONE.