SCHOOL DISTRICT OF TOWN OF WESTFIELD

TOWN OF WESTFIELD BOARD OF EDUCATION

COUNTY OF UNION
WESTFIELD, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR
ENDED JUNE 30, 2010

TOWN OF WESTFIELD SCHOOL DISTRICT
COUNTY OF UNION, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2010

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Introductory Section

WESTFIELD PUBLIC SCHOOLS
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FAX 908-789-4180

Margaret Dolan, Ed.D.
Superintendent

Robert A. Berman/RSBA
School Business Administrator/
Board Secretary

November 11, 2010

Honorable President and
Members of the Board of Education
Town of Westfield School District
County of Union, New Jersey

Dear Board Members:

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

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* This standard, issued in June 1999, creates a new reporting model of financial information and disclosure, which represents a significant departure from the currently used reporting model. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund based financial statements of the past into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year. Financial data is presented for both the current and immediately preceding school years to facilitate a meaningful analysis of the changes in financial position and operating results during this two year period.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and lists of principal officials and consultants and advisors. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon, and MD&A. 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 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.* Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and its Services: The Town of Westfield School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Town of Westfield 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, bilingual as well as special education for educationally handicapped youngsters.

   The District operated the 2009-2010 fiscal year with an enrollment of 6,267 students, which are 55 students above the previous year's enrollment. The following details the changes in the student enrollment of the district over the last ten years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2009-2010	6,267	0.9%
2008-2009	6,212	0.9%
2007-2008	6,157	1.6%
2006-2007	6,060	0.6%
2005-2006	6,023	2.4%
2004-2005	5,881	1.2%
2003-2004	5,812	2.7%
2002-2003	5,661	3.0%
2001-2002	5,498	3.0%
2000-2001	5,337	1.6%

2. Economic Condition and Outlook: The Town of Westfield is a stable community with a 2000 census population of 29,544. Its 6.4 square miles are basically residential in nature with 11 industrial acres; 336, commercial; 2,702, residential; and 79.96 acres for school buildings and fields. A sturdy Colonial heritage and strong commitment to education and voluntarism form the backbone of Westfield's citizens. According to the 2000 census, the median household income was $98,390, median family income was $112,145 and per capita income was $47,187. The per capita income for the County of Union as reported in the 2000 census was $26,992.

There is little space for new housing expansion - thus, the tax base is rather stable. Housing units increased 3% since 1980. Currently, the average home is assessed at $181,000 with a market value of approximately $603,000.

Property taxes provided 86% of the District's total governmental fund revenues for the 2009-2010 school year. This represents an increase of 1% from the previous year.

Property taxes provided 88% of the District's General Fund revenues for the 2009-2010 school year, a 1% increase from the previous year. This is attributable to a decrease of $379,268 in State aid. The largest components of this increase was the On-behalf TPAF Pension Contribution, which is not a part of the District's approved budget, and extraordinary aid in the total amount of $825,076.

Forty-nine percent of the families in Westfield have children under age 18. A little over 8% of the school-age population attends private school.

The town has been named a Main Street Community by the Office of Historic Preservation in Trenton, with town-wide efforts underway to revitalize the downtown area.

There is a cooperative, collegial spirit between the Westfield Mayor and Town Council and the elected Board of Education.

3. Major Initiatives: Initiatives and achievements by Westfield students and staff included the following:

- Shop Rite / NJSIAA Cup awarded to Westfield High School for best athletics in the State among all Group IV teams.
- Newsweek ranks Westfield High School in the top 4% of high schools in the country.
- All 10 Westfield Public Schools surpassed the State proficiency standards in mandated tests administered in grades 3 through 8 and grade 11.
- 38 Seniors named Edward Bloustein Distinguished Scholars.
- 122 students were inducted into the National Honor Society.
- Westfield's per pupil cost of $11,601 is below the State average of $13,338.
- All 10 Westfield Public Schools participated in the Hearts For Haiti fundraiser donating $30,784 to the American Red Cross.
- 52 perfect SAT and SAT II scores of "800" were achieved by WHS students.
- Roosevelt Intermediate School students in Girls learn International raised $2,000 for their partner school in Afghanistan.
- The Westfield High School Chorale performed at Carnegie Hall in November 2009.
- 5 Seniors were named National Merit Scholarship Semifinalists.
- The high school weekly newspaper the Hi's Eye, won 1st place from the American Scholastic Press Association
- Edison Intermediate School students captured 1st place in both 7th and 8th grade regional competitions in the New Jersey Math League.

4. Management's Responsibility for Financial Reporting: The management of the school district is responsible for the preparation of the financial statements included within the CAFR and for their integrity and objectivity. In order to enable the District to fulfill its obligation for accurate and fair financial reporting, management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

   The concept of reasonable assurance recognized 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 municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

   An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2010. General Fund encumbrances at June 30, 2010 were $1,321,228, an increase of approximately $903,107 from the previous year.

6. Accounting System and Reports: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7. Financial Information at Fiscal Year-End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service funds for the fiscal year ended June 30, 2010 and the amount and percentage of increases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) From 2009	Percent of Increase/ (Decrease)
Local Tax Levy	80,348,683.00	85.60%	3,030,495.00	3.92%
Other Local Sources	479,079.51	0.51%	90,999.43	23.45%
State Sources	11,073,009.13	11.80%	(414,122.05)	(3.61%)
Federal Sources	1,960,528.40	2.09%	401,732.45	25.77%
Total	$93,861,300.04	100.00%	$3,109,104.83	3.43%

The increase in Other Local Sources of Revenue consists primarily of an increase in miscellaneous items. During the current school year, the District's cash and investments decreased by $497,533, primarily from expenditures relating to renovations at Lincoln School.

The decrease in State Aid consists of the additional on-behalf payments made by the state for the employer share of social security and medicare taxes for the District's professional staff ($107,996 increase), State Aid ($249,566 decrease), extraordinary aid ($334,453 decrease) and the pension contribution to the Teachers Pension and Annuity Fund ($83,092 increase).

The increase in Federal Aid is attributable to the District's Individuals with Disabilities Act program, which is funded under the U.S. Department of Education's IDEA Part B program.

The Schedules of Expenditures of Federal and State Awards, as included in the Single Audit section of the CAFR, provides the status of all state and federal financial assistance received by the District.

The following schedule presents a summary of general fund, special revenue fund and debt service expenditures for the fiscal year ended June 30, 2010 and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Current Expenses:				
Instruction	$36,336,959.66	38.88%	$714,206.04	2.00%
Undistributed Expenditures	51,917,920.57	55.54%	855,102.38	1.67%
Capital Outlay	38,645.87	0.04%	(71,732.27)	(64.99)%
Special Revenues	2,200,001.19	2.35%	307,588.44	16.25%
Debt Service:				
Principal	1,890,000.00	2.02%	405,000.00	27.27%
Interest	1,087,266.65	1.16%	(327,781.35)	(23.16)%
Total	$93,470,793.94	100.00%	$1,882,383.24	2.06%

Instruction Expenditures increased primarily from teacher salaries for regular program instruction, which grew by $768,606, while other items within regular instruction decreased by $170,003 and special education increased $219,678, other special instruction increased $73,686 and other instruction decreased $177,760.

Current Expense Undistributed Expenditures increases included over $1.1 million in District employee benefits. Additional expenditure increases/decreases were also recorded in the various salaries and other accounts.

Capital Outlay expenditures decreased during the current year, as the District focuses on completion of the projects authorized by the 2001 and 2007 referenda, which are reported separately.

8. Debt Administration: The District has outstanding bonds of $5,350,000 dated August 1, 2001. These bonds will mature in various annual installments through 2016. Bonds refunded in 2006 in the outstanding amount of $9,065,000 will also mature in various annual installments through 2022. The District has outstanding bonds of $756,000 dated March 15, 2005 which will mature in annual installments through 2015 and bear interest rates of 3.20% to 3.50%. In October 2007, the District issued $9,071,000 of bonds which will mature in various annual installments from 2009 through 2027. The remaining outstanding bonds from the 1999 bond issue were refunded. Therefore at June 30, 2009, the District no longer has any bonds outstanding dated March 15, 1999. The bonds refunded in 2009 in the outstanding amount of $2,295,000 will mature in various annual installments through 2014.

9. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Financial Statements", Note 2. The District deposits its 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.

10. 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. Umbrella and excess umbrella coverages were also in effect to minimize the District's loss exposure.

11. Other Information:

A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, P.A., CPA's, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, as amended, and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12. Acknowledgments:

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

Respectfully submitted,

Margaret Dolan Ed.D
Superintendent

Robert A. Berman
School Business Administrator

TOWN OF WESTFIELD BOARD OF EDUCATION
UNION COUNTY, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2010

Members of the Board of Education	Term Expires
Julia Walker, President	2013
Ann Cary, Vice-President	2011
Jane Clancy	2012
David Finn	2012
Alice Hunnicutt	2011
Virginia Leiz	2013
Richard Mattessich	2012
Gary McCready	2011
Mitchell Slater	2013

Other Officials

Margaret Dolan, Ed. D., Superintendent of Schools
Mr. Robert A Berman, Board Secretary/School Business Administrator
Liy-Huei L. Tsai, Treasurer of School Monies
Richard J. Kaplow, Esq., Board Attorney

WESTFIELD BOARD OF EDUCATION
Consultants and Advisors

Architects

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Bond Counsel

McManimon & Scotland, L.L.C.
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Official Depository

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Westfield, NJ 07090

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MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Town of Westfield School District
County of Union, New Jersey

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Westfield School District, in the County of Union, State of New Jersey, as of June 30, 2010 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2010 on our consideration of the Town of Westfield School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and 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 our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

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

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Robert S. Morrison
Public School Accountant
PSA # 871

Highland Park, New Jersey
November 11, 2010

REQUIRED SUPPLEMENTARY INFORMATION

PART I

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
June 30, 2010

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2010. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2009-2010 fiscal year include the following:

Governmental funds reported a total fund balance of $4,302,083.84, which is a 7% decrease from last year's total governmental fund balance. This decrease was due to the revenues less expenditures in the debt service fund. The general or operating fund balance was reported at $3,775,002.38, which represents an increase of $669,392.62 over the prior year. Of this total, $800,000.00 was appropriated toward the 2010-2011 budget, $1,321,227.54 of general fund balance was reserved to cover open purchase orders at year end. Based upon the reduction imposed by S1701 in the calculation of maximum undesignated fund balance that the District is allowed to retain, the amount of general fund balance required to be reserved for tax relief in the 2011-2012 budget is $449,912.00. The unrestricted general fund balance is reported at $1,202,994.34, which is $683,625.73 less than the prior year. General fund balance is at the maximum permitted under the Department of Education regulations based upon 2% of general fund expenditures, with specified modifications. Total spending for all governmental funds was $94,406,731.05 Total revenues were $94,090,133.01, resulting in an excess of expenditures over revenues of $316,598.04 for the year. Revenues increased approximately $3.1 million over last year and included $13.3 million in state and federal aid and $80.3 million in local taxes.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationship in which the district acts solely as a trustee or agent for the benefits of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of the School District Annual Financial Report

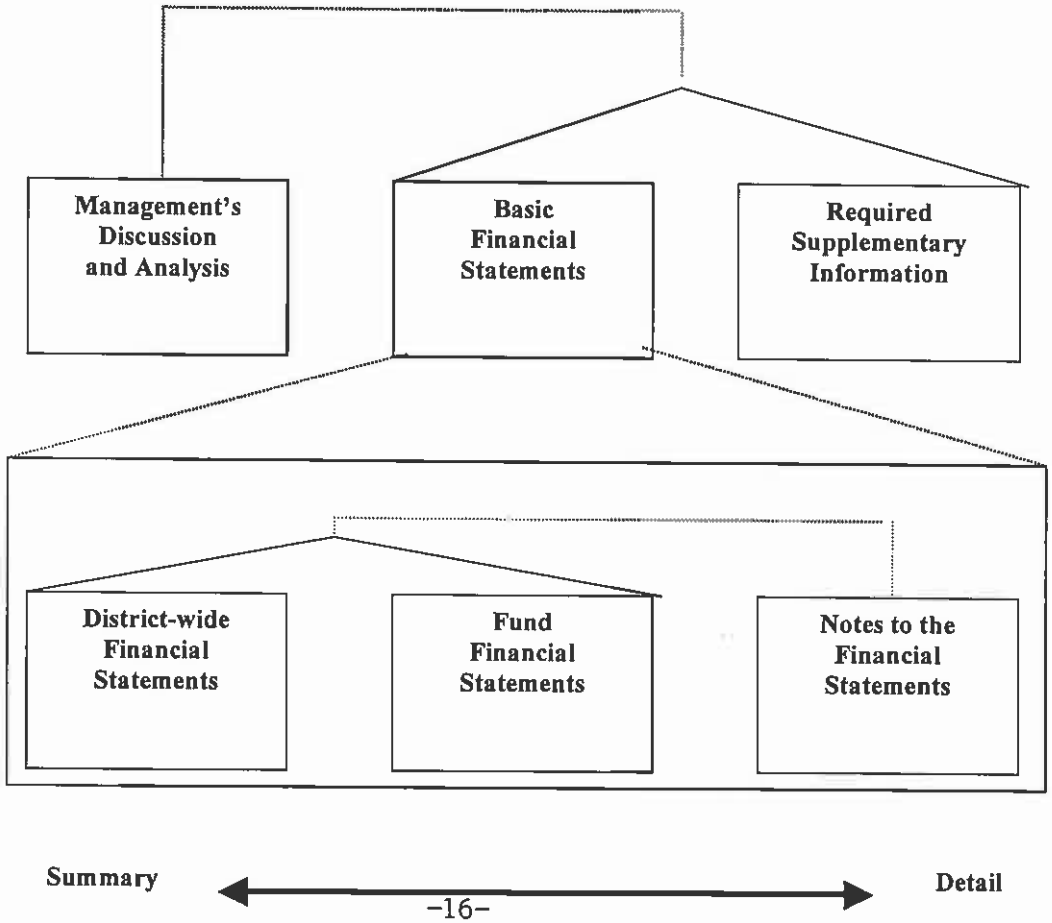

Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2
Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary 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	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial Statements	• Statement of net assets • Statement of activities	• Balance Sheet • Statement of revenues, expenditures, and changes in fund balances	• Statement of net assets • Statement of cash flows	• Statement of fiduciary net assets • Statement of changes in fiduciary net assets
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources 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 thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
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	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net assets - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- Governmental activities: Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- Business-type activities: The district charges fees to help it cover the costs of certain services it provides. The district's adult education programs and food services are included here.

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 establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The district has three kinds of funds:

- Governmental funds: Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you 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, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- Proprietary funds: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.
- Fiduciary funds: The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net assets were $23,972,924.21 at June 30, 2010. Of this amount, $44,532.85 was a deficit in unrestricted net assets. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Figure A-3) and change in net assets (Figure A-4) of the school district's governmental activities.

Figure A-3
Net Assets- Governmental Activities
(Dollars in Thousands)

	June 30, 2010	June 30, 2009	Increase (Decrease) $	Increase (Decrease) %
Current and other assets	$5,046	$5,758	($712)	(12.4)%
Capital assets	47,759	48,504	(745)	(1.5)%
Total assets	$52,805	$54,262	($1,457)	(2.7)%

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

Current and other liabilities	$932	$ 1,315	($ 383)	(29.1)%
Long-term liabilities	27,900	29,835	(1,935)	(6.5)%
Total liabilities	28,832	31,150	($2,318)	(7.4)%
Net Assets				
Invested in capital assets, net of debt	21,718	20,633	1,085	5.3%
Restricted	2,299	2,265	34	1.5%
Unrestricted	(44)	214	(258)	(120.6)%
Total net assets	$23,973	$23,112	$861	3.7%

The $44,533 deficit in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our non-capital liabilities (compensated absences for example), we would have a deficit of $44,533.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities. Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

FINANCIAL ANALYSIS OF THE DISTRICT AS AWHOLE (Continued)

Figure A-4
Changes in Net Assets
Year Ended June 30, 2010

	FY 2010	FY2009	Increase (Decrease) $	Increase (Decrease) %
Revenues:				
Program revenue				
State grants & Entitlements	$ 6,394	$ 6,156	$238	3.9%
General Revenue				
Local tax levy	80,349	77,318	3,031	3.9%
Federal and State aid	6,868	7,156	(288)	(4.0)%
Miscellaneous revenues (Incl. Special items & Transfers)	479	323	156	48.3%
Total revenues	$94,090	$ 90,953	$3,137	3.4%
Functions/Program Expenses:				
Instruction				
Regular programs	28,145	28,238	(93)	(0.3)%
Special programs	6,309	5,479	830	15.1%
Other instructional programs	2,462	2,628	(166)	(6.3)%
Support services				
Student services	11,340	11,181	159	1.4%
Tuition	5,746	6,072	(326)	(5.4)%
School administration	3,308	3,124	184	5.9%
General administration and Business services	3,811	3,504	307	8.8%
Plant services	5,583	6,060	(477)	(7.9)%
Student transportation services	2,373	2,804	(431)	(15.4)%
Unallocated benefits	21,070	19,493	1,577	8.1%
Interest on long-term debt	1,078	1,173	(95)	(8.1)%
Unallocated Depreciation	2004	1,582	422	26.7%
Total expenses	$ 93,229	$ 91,388	1,891	2.1%
Increase (decrease) in net assets	**$861**	**($ 385)**		

Governmental Activities (Continued)

As reported in the Statement of Activities, the cost of all our governmental activities this year was $86,835,481 (Expenses less operating grants and contributions). These costs were financed by $80,348,683 in local property school taxes, $6,868,610 in federal and state aid and $479,079 in miscellaneous revenues including interest, general entitlements, special items and transfers.

In Figure A-5, below, we have presented the cost of each of the school district's six largest functions for the current year and the cost of those functions for the previous year. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5
Governmental Activities – Total Cost of Services
(Dollars in Thousands)

	FY 2010	FY2009	Increase (Decrease) $	Increase (Decrease) %
Regular instruction	$ 28,145	$ 28,238	$ (93)	(0.3)%
Unallocated benefits	21,070	19,493	1,577	8.1%
Student services	11,340	11,181	159	1.4%
Plant services	5,583	6,060	(477)	(7.9)%
Tuition	5,746	6,072	(326)	(5.4)%
Spec. Ed. Instruction	6,309	5,479	830	15.1%
All others	15,036	14,815	221	1.5%
Total	$ 93,229	$ 91,338	$ 1,891	2.1%

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of $4,302,084, which is a decrease of $316,598 from last year. This amount includes the general fund (increase of $669,393), capital projects fund (decrease of $707,104) and debt service fund (decrease of $278,887). The primary reasons for the increases and decreases are:

Financial Analysis of the District's Funds (Continued)

1. Cost control in all areas attained through tight fiscal management.
2. Completion of the 2007 bond referendum projects.
3. Increase in tuition for special needs students sent out of district.
4. Increase cost in property, liability and health insurance.

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus. Actual revenues reflect a positive variance of $6.1 million. This is due primarily to the State reimbursement in the amount of $5.9 million for TPAF and social security contributions. This is always a non-budgeted item that the State requires be included in the final audit.

Actual expenditures reflect a negative variance of $3.3 million even though all budget categories show a positive variance. This again is primarily due to the State requirement to include TPAF and social security contributions in the audit.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2010, the school district reported $77,177,245 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, construction in progress, vehicles, furniture and equipment. This amount represents a net increase (including additions, trade-ins and retirements) of $1,076,641, or 1.4% from the prior year. Figure A-6 details the composition of capital assets at June 30th of the current and prior year and the net changes for the current year.

Figure A-6
Governmental Activity Capital Assets at Year-End
(Dollars in Thousands)

			Increase (Decrease)	
	FY 2010	FY2009	$	%
Land	$ 4,488	$4,488	-	-
Construction in Progress		157	(157)	(100.0)%
Buildings and Improvements	64,716	63,628	1,088	1.7%
Furniture, Equipment and Vehicles	7,973	7,827	146	1.9%
Total	$77,177	$76,100	$1,077	1.4%

Long-Term Debt

At the end of this year, the school district had $26,537,000 in bonds (Type II debt) outstanding versus $28,427,000 last year – a decrease of 6.6%. The summary of year-end long-term debt and changes for the 2009-2010 school year is as follows:

Figure A-7
Outstanding Long-Term Debt at Year-End
(Dollars in Thousands)

	FY 2010	FY2009	Increase (Decrease) $	Increase (Decrease) %
School Serial Bonds:				
2001 G.O. Bonds	$ 5,350	$ 5,850	$ (500)	(8.5)%
2005 G.O. Bonds	756	891	(135)	(15.2)%
2006 Refunding Bonds	9,065	9,095	(30)	(0.3)%
2007 G.O. Bonds	9,071	9,396	(321)	(3.4)%
2009 Refunding Bonds	2,295	3,195	(900)	(28.2)%
Subtotal Bonds	26,537	28,427	(1,890)	(6.6)%
Other Long-Term Debt:				
Compensated Absences	1,675	1,758	(83)	(4.7)%
Totals	$28,212	$30,185	($1,973)	(6.5)%

Net increases/decreases in the accumulated value of compensated absences are recorded as expenses of Governmental Activities as earned by District employees.

The school district's general obligation bond rating is Aa2. The state limits the amount of general obligation debt that cities can issue to 4% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of $26,537,000 is significantly below the $277,772,355 statutorily-imposed limit.

We present more detailed information about our long-term liabilities in the notes to the financial statement.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- The largest expenditure in the school budget is for employee salaries and benefits. The salary percentage increases of approximately 3.9% in the collective bargaining agreements settlement will impact the 2010 and 2009 budget years.
- Through collective bargaining the district has successfully negotiated changes into the health insurance plans. The most significant changes are a significant reduction in the number of employees in traditional indemnity insurance and increases to employee contributions to health insurance.
- A new wealth based funding formula was implemented for the 2008-09 school year. The new wealth based formula had an impact on the residents of Westfield as the State aid increased by only 2%.
- Drastic changes to the State Aid to be received by the school district for 2010-11. The State Aid will be reduced from $4.6 million to $485,000.
- The enrollment in the district is continuing to grow.
- The district maintains eleven facilities, ten of which are schools. The district continues to budget for capital improvements in accordance with the State approved Long Range Facilities Plan.
- With budget caps and the significant decrease in State Aid the district has not been able to continue to upgrade and replace technology each year. The replacement of outdated computers as well as overall expansion of the computer network is a significant cost factor in the budget.
- Budget cuts due to the decrease in State Aid will require reductions in the personnel which will include teachers, secretaries, custodians and paraprofessionals.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Robert Berman, Business Administrator/Board Secretary, at Westfield Board of Education, 302 Elm Street, Westfield, New Jersey 07090.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SECTION - A

WESTFIELD SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGE IN NET ASSETS: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGE IN NET ASSETS: BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGE IN NET ASSETS: TOTAL
Governmental Activities:						
Instruction:						
Regular	$28,144,633.72			($28,144,633.72)		($28,144,633.72)
Special Education	6,309,394.99			(6,309,394.99)		(6,309,394.99)
Other Special Instruction	1,095,682.46			(1,095,682.46)		(1,095,682.46)
Other Instruction	1,366,710 83			(1,366,710.83)		(1,366,710.83)
Support Services:						
Tuition	5,746,043.07			(5,746,043.07)		(5,746,043.07)
Student & Instruction Related Services	11,339,432.59			(11,339,432.59)		(11,339,432.59)
School Administrative Services	3,308,431.28			(3,308,431.28)		(3,308,431.28)
General and Business Administrative Services	3,811,433.01			(3,811,433.01)		(3,811,433.01)
Plant Operations and Maintenance	5,582,678.15			(5,582,678.15)		(5,582,678.15)
Pupil Transportation	2,372,523.71			(2,372,523.71)		(2,372,523.71)
Unallocated Benefits	21,070,275.03		$5,889,876.83	(15,180,398.20)		(15,180,398.20)
Interest on Long-Term Debt	1,077,696.13		503,884.00	(573,812.13)		(573,812.13)
Unallocated Depreciation and Amortization	2,004,307.10			(2,004,307.10)		(2,004,307.10)
Total Governmental Activities	93,229,242.07		6,393,760.83	(86,835,481.24)		(86,835,481.24)
Business-Type Activities:						
Food Service	1,046,290.67	1,014,111.70	85,815.19		53,636.22	53,636.22
Total Business-Type Activities	1,046,290.67	1,014,111.70	85,815.19		53,636.22	53,636.22
Total Primary Government	$94,275,532.74	$1,014,111.70	$6,479,576.02	($86,835,481.24)	$53,636.22	($86,781,845.02)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes,Net				$78,195,764.00		$78,195,764.00
Taxes Levied for Debt Service				2,152,919.00		2,152,919.00
Federal and State Aid not Restricted				4,484,665.80		4,484,665.80
Federal and State Aid Restricted				2,383,943.87		2,383,943.87
Tuition Received				115,758.79		115,758.79
Investment Earnings				125,779.97		125,779.97
Miscellaneous Income				237,540.75		237,540.75
Total general revenues, special items, extraordinary items and transfers				87,696,372.18		87,696,372.18
Change in Net Assets				860,890.94	53,636.22	914,527.16
Net Assets—Beginning				23,112,033.27	102,586.55	23,214,619.82
Net Assets—Ending				$23,972,924.21	$156,222.77	$24,129,146.98

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

WESTFIELD SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2010

	GOVERNMENTAL FUNDS	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 2,992,343.18	$ 150,892.29	$ 3,143,235.47
Investments	4,496.00		4,496.00
Other Receivables	66,145.46		66,145.46
Receivables from Other Funds	4,091.23		4,091.23
Receivables from Other Governments	1,794,338.45	4,862.44	1,799,200.89
Inventory		21,422.52	21,422.52
Restricted Assets:			
Capital Reserve Account - Cash	868.50		868.50
Unamortized issuance costs	183,778.97		183,778.97
Capital Assets, (Note 1):	47,758,949.57	57,481.13	47,816,430.70
Total Assets	52,805,011.36	234,658.38	53,039,669.74
LIABILITIES			
Accounts Payable	373,463.91	77,151.53	450,615.44
Accrued Interest Payable	372,201.19		372,201.19
Interfund Payable		1,284.08	1,284.08
Payable to Other Governments	49,110.09		49,110.09
Deferred Revenue	137,624.98		137,624.98
Noncurrent Liabilities (Note 2):			
Due Within One Year	1,900,000.00		1,900,000.00
Due Beyond One Year	26,312,326.00		26,312,326.00
Unamortized premium/discount on refinancing	(86,443.40)		(86,443.40)
Deferred amount on refinancing	(226,195.62)		(226,195.62)
Total liabilities	28,832,087.15	78,435.61	28,910,522.76
NET ASSETS			
Invested in capital assets, net of related debt	21,718,367.56	57,481.13	21,775,848.69
Restricted for:			
Debt Service	1,610.08		1,610.08
Capital Projects	526,339.88		526,339.88
Other Purposes	1,771,139.54		1,771,139.54
Unrestricted (Deficit)	(44,532.85)	98,741.64	54,208.79
Total Net Assets	$ 23,972,924.21	$ 156,222.77	$ 24,129,146.98

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

FUND FINANCIAL STATEMENTS

SECTION - B

GOVERNMENTAL FUNDS

WESTFIELD SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	$ 2,992,343.18	$	$	$	$ 2,992,343.18
Investments	4,496.00				4,496.00
Other Receivables		56,145.46		10,000.00	66,145.46
Due from Other Funds	972,519.18				972,519.18
Receivables from Other Governments		678,502.96	1,115,835.49		1,794,338.45
Restricted Cash and Cash Equivalents	868.50				868.50
Total assets	3,970,226.86	734,648.42	1,115,835.49	10,000.00	5,830,710.77
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	195,224.48	178,239.43			373,463.91
Intergovernmental Payable		49,110.09			49,110.09
Interfund Payable		369,673.92	590,364.11	8,389.92	968,427.95
Deferred Revenue		137,624.98			137,624.98
Total liabilities	195,224.48	734,648.42	590,364.11	8,389.92	1,528,626.93
Fund Balances:					
Reserved for:					
Encumbrances	1,321,227.54		274,664.08		1,595,891.62
Capital Reserve Account	868.50				868.50
Excess Surplus	449,912.00				449,912.00
Unreserved:					
Designated for Subsequent Year's Expenditures	800,000.00			33.00	800,033.00
Undesignated, Reported in:					
General Fund	1,202,994.34				1,202,994.34
Debt Service Fund				1,577.08	1,577.08
Capital Projects Fund			250,807.30		250,807.30
Total Fund Balances	3,775,002.38		525,471.38	1,610.08	4,302,083.84
Total Liabilities and Fund Balances	$ 3,970,226.86	$ 734,648.42	$ 1,115,835.49	$ 10,000.00	$ 5,830,710.77

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:	$	4,302,083.84
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The carrying value of the assets is $77,177,244.78, and the accumulated depreciation is $29,418,295.21.		47,758,949.57
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilties in the funds.		(28,212,326.00)
Short-term Liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.		(372,201.19)
Transactions related to a current refunding of a long-term debt, refiancing of lease agreement are not reported in the funds.		
Cost of issuance, net of amortization		183,778.97
Issuance premium, net of amortization		86,443.39
Deferred amount on refunding, net of amortization		226,195.63
Net assets of governmental activities	$	23,972,924.21

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

Exhibit B-2

WESTFIELD SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Local Tax Levy	$ 78,195,764.00	$	$	$ 2,152,919.00	$ 80,348,683.00
Tuition Charges	115,758.79				115,758.79
Miscellaneous	276,853.30			41,577.13	318,430.43
Local Sources		44,890.29			44,890.29
State Sources	10,374,542.63	194,582.50	228,832.97	503,884.00	11,301,842.10
Federal Sources		1,960,528.40			1,960,528.40
Total Revenues	88,962,918.72	2,200,001.19	228,832.97	2,698,380.13	94,090,133.01
EXPENDITURES					
Current:					
Regular Instruction	28,185,528.93	57,804.79			28,243,333.72
Special Education Instruction	5,689,037.44	753,966.55			6,443,003.99
Other Special Instruction	1,095,682.46				1,095,682.46
Other Instruction	1,366,710.83				1,366,710.83
Support Services and Undistributed Costs:					
Tuition	5,746,043.07				5,746,043.07
Student & Instruction Related Services	10,078,598.32	1,163,542.27			11,242,140.59
School Administrative Services	3,286,095.28				3,286,095.28
Other Administrative Services	3,788,824.01				3,788,824.01
Plant Operations and Maintenance	5,575,561.15				5,575,561.15
Pupil Transportation	2,372,523.71				2,372,523.71
Unallocated Benefits	21,070,275.03				21,070,275.03
Debt Service:					
Principal				1,890,000.00	1,890,000.00
Interest and Other Charges				1,087,266.65	1,087,266.65
Capital Outlay	38,645.87	224,687.58	935,937.11		1,199,270.56
Total Expenditures	88,293,526.10	2,200,001.19	935,937.11	2,977,266.65	94,406,731.05
Excess (Deficiency) of Revenues over Expenditures	669,392.62		(707,104.14)	(278,886.52)	(316,598.04)
OTHER FINANCING SOURCES (USES)					
Refunding bonds issued					
Payment to bond refunding escrow agent					
Transfers in					
Transfers out					
Total Other Financing Sources and Uses					
Net Change in Fund Balances	669,392.62		(707,104.14)	(278,886.52)	(316,598.04)
Fund Balance—Beginning	3,105,609.76		1,232,575.52	280,496.60	4,618,681.88
Fund Balance—Ending	$ 3,775,002.38	$	$ 525,471.38	$ 1,610.08	$ 4,302,083.84

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

TOWN OF WESTFIELD SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Total net change in fund balances - governmental funds (from B-2)			$ (316,598.04)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.			
	Depreciation expense	(1,944,712.00)	
	Capital Outlays	1,199,270.56	(745,441.44)
Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.			1,890,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)			9,570.52
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-);when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).			82,955.00
Amortization Expenses - Net			(59,595.10)
Change in net assets of governmental activities			$ 860,890.94

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

PROPRIETARY FUNDS

WESTFIELD SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	FOOD SERVICE	TOTAL
ASSETS		
Current assets:		
Cash and Cash Equivalents	$ 150,892.29	150,892.29
Accounts Receivable	4,862.44	4,862.44
Inventories	21,422.52	21,422.52
Total Current Assets	177,177.25	177,177.25
Noncurrent Assets:		
Furniture, Machinery & Equipment		
Less Accumulated Depreciation	57,481.13	57,481.13
Total Noncurrent Assets	57,481.13	57,481.13
Total Assets	234,658.38	234,658.38
LIABILITIES		
Current Liabilities:		
Accounts Payable	77,151.53	77,151.53
Interfunds payable	1,284.08	1,284.08
Total Current Liabilities	78,435.61	78,435.61
NET ASSETS		
Invested in Capital Assets Net of Related Debt	57,481.13	57,481.13
Unrestricted (Deficit)	98,741.64	98,741.64
Total Net Assets	$ 156,222.77	156,222.77

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

WESTFIELD SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND	
	FOOD SERVICE	TOTAL ENTERPRISE FUND
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	$ 963,088.28	963,088.28
Daily Sales - Non-reimbursable Programs	51,023.42	51,023.42
Total Operating Revenues	1,014,111.70	1,014,111.70
Operating Expenses:		
Cost of Sales	517,543.15	517,543.15
Salaries	486,769.99	486,769.99
General Supplies	36,344.86	36,344.86
Depreciation	5,632.67	5,632.67
Total Operating Expenses	1,046,290.67	1,046,290.67
Operating Income (Loss)	(32,178.97)	(32,178.97)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	4,482.70	4,482.70
Federal Sources:		
National School Lunch Program	51,486.88	51,486.88
U.S.D.A. Commodities	29,845.61	29,845.61
Total Nonoperating Revenues (Expenses)	85,815.19	85,815.19
Income (Loss) Before Contributions & Transfers	53,636.22	53,636.22
Transfers in (out)		
Change in Net Assets	53,636.22	53,636.22
Total Net Assets—Beginning	102,586.55	102,586.55
Total Net Assets—Ending	$ 156,222.77	156,222.77

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

Exhibit B-6

WESTFIELD SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	$ 1,014,111.70
Payments to Suppliers	(1,023,761.91)
Net Cash Provided by (Used for) Operating Activities	(9,650.21)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal and State Sources	54,648.61
Operating Subsidies and Transfers to Other Funds	1,284.08
Net Cash Provided by (Used for) Non-capital Financing Activities	55,932.69
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(885.00)
Net cash provided by (used for) capital and related financing activities	(885.00)
Net Increase (Decrease) in Cash and Cash Equivalents	45,397.48
Balances—Beginning of Year	105,494.81
Balances—End of Year	$ 150,892.29
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ (32,178.97)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation and Net Amortization	5,632.67
Federal Commodities	29,845.61
(Increase) Decrease in Inventories	(7,180.65)
Increase (Decrease) in Accounts Payable	(5,768.87)
Total Adjustments	22,528.76
Net Cash Provided by (Used for) Operating Activities	$ (9,650.21)

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

FIDUCIARY FUNDS

WESTFIELD SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	UNEMPLOYMENT COMPENSATION TRUST	AGENCY FUND
ASSETS		
Cash and Cash Equivalents	$ 43,287.74	$ 797,404.46
Total Assets	$ 43,287.74	$ 797,404.46
LIABILITIES		
Payable to Student Groups	$	$ 396,096.23
Payroll Deductions and Witholdings	30,199.92	398,501.08
Accounts Payable	8,400.08	
Interfunds Payable		2,807.15
Total Liabilities	38,600.00	$ 797,404.46
NET ASSETS		
Held in Trust for Unemployment Claims and Other Purposes	$ 4,687.74	

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

WESTFIELD SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Agency Fund	Unemployment Compensation Trust
ADDITIONS		
Contributions:		
Dedicated Payroll Withholdings	$ 24,615,083.61	$ 93,874.27
Other		206,055.27
Total Contributions	24,615,083.61	299,929.54
Investment Earnings:		
Interest		270.35
Net Investment Earnings		270.35
Total Additions	24,615,083.61	300,199.89
DEDUCTIONS		
Due to Taxing and Other Agencies	24,615,083.61	
Quarterly Contribution Reports		337,456.83
Total Deductions	24,615,083.61	337,456.83
Change in Net Assets		(37,256.94)
Net Assets - Beginning of the Year		41,944.68
Net Assets - End of the Year	$	$ 4,687.74

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Westfield School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued codification of governmental accounting and financial reporting standards dated June 30, 2005. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments. This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, issued in June 1999. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Westfield School District is a Type II district located in the County of Union, State of New Jersey, serving students domiciled in the Town of Westfield. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to staggered three-year terms. The purpose of the district is to educate students in grades K-12. The Westfield School District had an approximate enrollment at June 30, 2010 of 6,267 students.

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

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

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

Basic Financial Statement Presentation

The District-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the Statements of Fiduciary Net Assets at the Fund Financial Statement level.

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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational; or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net assets are available. Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. The effect of interfund activity has been removed from these statements. Separate Fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even through the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services are the District's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result form providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund is charges to customers for service. Operating expenses for the internal service fund include the cost of services. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the District-wide statements.

B. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report as follows:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

GOVERNMENTAL FUNDS

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

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

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

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

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

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

PROPRIETARY FUNDS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

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

The District's Enterprise Fund is comprised of the Food Service Fund.

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

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

Food Service Fund:	
Machinery & Equipment	5-20 Years

FIDUCIARY FUNDS

Agency Fund - The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

Employee Benefit Trust (Unemployment Insurance) - Employee Benefit Trust (Unemployment Insurance) should be used to report resources that are required to be held in trust for members and beneficiaries of employee benefit plans.

C. Basis of Accounting and Measurement Focus:

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basis of Accounting and Measurement Focus (Cont'd):

Revenue Recognition – Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated.-Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within one year.

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

Recording of Expenditures – Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that interest and principal expenditures in the Debt Service Fund are recognized on their due dates.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. Budget amendments during the year ended June 30, 2010 were significant, and included additional funding received subsequent to the adoption of the budget, undesignated fund balance appropriated to finance expenditures not anticipated at the time of budget adoption, and reallocations of resources based on current circumstances.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Budgets/Budgetary Control (Cont'd):

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types.

Note that the district does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	$89,867,711.72	$2,354,321.47
Difference – Budget to GAAP:		
Reserve for Encumbrances (net)		(154,320.28)
The last state Aid payment is recognized as revenue for budgetary purposes, and differs from GAAP, which does not recognize this revenue until the subsequent year when the State recognizes the relates expense (GASB 33). (net)	(904,793.00)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance – governmental funds.	$88,962,918.72	$2,200,001.19
Uses/Outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$88,293,526.10	$2,354,321.47
Difference – Budget to GAAP:		
Reserve for Encumbrances (net)		(154,320.28)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	$88,293,526.10	$2,200,001.19

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Encumbrances:

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

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

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

F. Cash, Cash Equivalents and Investments:

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

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

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. GUDPA was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

Under the new law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All uninsured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

G. Tuition Receivable

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Tuition Payable

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 determined.

I. Inventories and Prepaid Expenses:

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

J. Short-Term Interfund Receivables/Payables:

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

K. Capital Assets:

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of $2,000 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the District-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

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

L. Accounts Receivable State – Capital Projects Fund:

The District received approval for EDA grants in the amount of $6,571,130 to construct an addition to Westfield High School and make alterations to the existing structure. The EDA participation in the project represents 40% of $16,427,825 of costs deemed eligible out a total project cost of $21,495,000. The EDA has also established a fixed schedule for the submission of reimbursement vouchers, which is based upon the achievement of certain percentages of completion.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Accounts Receivable State – Capital Projects Fund (Cont'd.):

The District recognizes EDA grant revenue as earned, i.e., as eligible expenditures are incurred, at the rate of 40% of said expenditures. It is assumed that project completion will continue at a pace that will permit the filing of reimbursement vouchers within a time frame, which meets the availability criterion for revenue recognition under GAAP. Through June 30, 2010, the District has recognized a total of $6,350,263.67 in EDA grant revenue, of which $1,060,504.02 has not been received.

The District has also received EDA grant approvals for 40% of eligible costs for boiler replacement at Washington School. Accounts receivable at June 30, 2010 for the project is as follows:

PROJECT	RECEIVABLE
Washington Boiler Replacement	$55,331.47

M. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." The entire compensated absences liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. The noncurrent portion of the liability is not reported.

N. Deferred Revenue:

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

O. Long-term Obligations:

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

P. Fund Equity:

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

Q. Net Assets

Net assets represent the difference between assets and liabilities in the District-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulation depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the District-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

R. Estimates

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

S. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as capital reserve requirements and proceeds from the issuing of the bonds and leases related to the capital project.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the District deposits and invests its funds pursuant to statutory requirements, its policies and an adopted cash management plan.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (FDIC), New Jersey's Governmental Unit Deposit Protection Act, by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. The New Jersey Governmental Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Cash on deposit is partially insured by federal deposit insurance in the amount of $250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd.)

Based upon GASB criteria, the District considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts and short-term investments and are either any direct and general obligation of the United States of America or certificates of deposit issued by any bank, savings and bank or national banking association if qualified to serve as a depository for public funds under the provisions of the Governmental Unit Depository Protection Act.

The Town of Westfield Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

Depository Account	Bank Balance
Insured--FDIC	$ 880,172.52
Insured—NJGUDPA (N.J.S.A. 17:941)	4,347,565.87
Uninsured - Custodial Credit Risk	5,321.63
Total	$5,233,060.02

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2010, based upon the insured balances as provided by FDIC and NJGUDPA coverage, $5,321,63 of the Board's bank balance of $5,233,060.02 was considered exposed to custodial risk. (See Note 1-F relating to statutory mitigations of custodial risk in the event of a bank failure.)

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As indicated above, the District had $80,362.27 on deposit with the New Jersey Cash Management Fund at June 30, 2010.

CIGNA Premium Stabilization/IBNR Fund - At June 30, 2010, based upon a proposed final settlement between the parties upon termination of coverage, a balance of $4,496 of District funds were held by its health insurance carrier pursuant to its minimum premium payment plan agreement. These funds remain the property of the District. There was no activity in this account during the fiscal year ended June 30, 2010.

		Allocated To	
	Total	IBNR	Investments
Balance-June 30, 2009	$4,496	$-0-	$4,496
Balance-June 30, 2010	$4,496	$-0-	$4,496

NOTE 3 - DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Capital Assets That Are Not Being Depreciated:				
Land	$ 4,488,200.00	$	$	$ 4,488,200.00
Construction in Progress	157,317.00		(157,317.00)	
Total Capital Assets Not Being Depreciated	4,645,517.00		(157,317.00)	4,488,200.00
Building and Building Improvements	63,628,264.22	1,087,535.00		64,715,799.22
Improvements other than Buildings				
Machinery, Equipment, Furniture & Vehicles	7,826,823.00	269,052.56	(122,630.00)	7,973,245.56
Totals at Historical Cost	71,455,087.22	1,356,587.56	(122,630.00)	72,689,044.78
Less Accumulated Depreciation For:				
Building and Building Improvements	(21,884,898.21)	(1,531,898.00)		(23,416,796.21)
Equipment, Furniture, and Vehicles	(5,711,315.00)	(412,814.00)	(122,630.00)	(6,001,499.00)
Total Accumulated Depreciation	(27,596,213.21)	(1,944,712.00)	(122,630.00)	(29,418,295.21)
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	43,858,874.01	(588,124.44)		43,270,749.57
Government Activities Capital Assets, Net	**$ 48,504,391.01**	**$ (588,124.44)**	**$ (157,317.00)**	**$ 47,758,949.57**
Business-type Activities				
Equipment	126,339.90	885.00		127,224.90
Less Accumulated Depreciation for:				
Equipment	(64,111.10)	(5,632.67)		(69,743.77)
Business-type Activities Capital Assets, Net	**$ 62,228.80**	**$ (4,747.67)**	**$**	**$ 57,481.13**

* Depreciation expense was charged to governmental functions as follows:

Unallocated	$ 1,944,712.00
Total deprecation expense	$ 1,944,712.00

NOTE 4 - DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES

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

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds Payable:					
General Obligation Debt	$ 28,427,000.00	$	$ 1,890,000.00	$ 26,537,000.00	$ 1,900,000.00
Total Bonds Payable	28,427,000.00	-	1,890,000.00	26,537,000.00	1,900,000.00
Other Liabilities:					
Compensated Absences Payable	1,758,281.00	52,062.00	135,017.00	1,675,326.00	
Total Other Liabilities	1,758,281.00	52,062.00	135,017.00	1,675,326.00	-
Total Liabilities	$ 30,185,281.00	$ 52,062.00	$ 2,025,017.00	$ 28,212,326.00	$ 1,900,000.00

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

Principal and interest due on bonds outstanding is as follows:

Year ending June 30,	Principal	Interest	Total
2011	$ 1,900,000	$ 1,036,180	$ 2,936,180
2012	1,985,000	959,929	2,944,929
2013	2,065,000	881,925	2,946,925
2014	2,135,000	800,840	2,935,840
2015	1,771,000	713,971	2,484,971
2016	1,885,000	633,516	2,518,516
2017	1,935,000	554,436	2,489,436
2018	2,005,000	475,636	2,480,636
2019	2,100,000	393,536	2,493,536
2020	2,190,000	307,736	2,497,736
2021	1,340,000	237,136	1,577,136
2022	1,405,000	182,236	1,587,236
2023	600,000	142,136	742,136
2024	625,000	117,636	742,636
2025	650,000	92,136	742,136
2026	650,000	66,136	716,136
2027	650,000	39,811	689,811
2028	646,000	13,243	659,243
	$ 26,537,000	$ 7,648,175	$ 34,185,175

School District Refunding Bonds

The District has authorized the advanced refunding all of the outstanding callable principal amount of the originally issued $11,730,000 School Bonds of the Board dated March 15, 1999 and maturing on or after March 1, 2010 at par plus any unpaid accrued interest to April 15, 2009 and paying the costs of issuance of the Bonds.

The refunding transaction provides total savings of $148,135 and net present value savings of $171,765.70. The net present value savings is equal to 5.401437% of the debt service on the Defeased School Bonds, Series 1999.

Accordingly, Bond Discount, Bond Issuance Costs and Deferred Amount on Refunding has been capitalized and amortized on a straight line basis.

NOTE 4. GENERAL LONG-TERM DEBT (CONT'D.)

B. Bonds Authorized But Not Issued -- As of June 30, 2010, the District had authorized but not issued bonds in the amount of $1,282,240.35. This amount represents the portion of the total approved by the voters at a special election held in December, 2000, that has not been financed through the issuance of bonds or the receipt of State Aid, as follows:

Balance – June 30 2002 (Referendum Amount)		$21,495,000.00
Less:	Bond Principal Issued	(14,923,000.00)
	State Aid – EDA Grants Received	(5,289,759.65)
Balance – June 30, 2010		$ 1,282,240.35

Of this total, $1,281,370.35 of additional EDA Grant funding is anticipated. A balance of $870.00 will be required to be raised in a subsequent budget.

NOTE 5. OPERATING LEASES

The District participated in the following lease purchase agreements for the acquisition of equipment and vehicles. The following is a schedule of the future minimum lease payments under the operating leases and the net minimum lease payments at June 30, 2010.

Year Ended June 30,	Amount
2011	$ 105,745.02
2012	19,190.41
Total Minimum Lease Payments	124,935.43
Less: Amount Representing Interest	(8,188.32)
Present Value of Net Minimum Lease Payments	$ 116,747.11

NOTE 6. PENSION PLANS

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

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

NOTE 6. PENSION PLANS (CONT'D)

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

Defined Contribution Retirement System (DCRP) - The DCRP was established effective July 1, 2007 to provide coverage to certain elected and appointed officials who became excluded from the PERS system pursuant to the provisions of P.L. 2007, c. 92. In addition, certain members of the PERS and TPAF, enrolled after July 1, 2007 who earn salary in excess of those systems' maximum compensation limits are eligible for DCRP membership for the compensation not credited to PERS or TPAF participation.

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

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

Vesting in the DCRP occurs after one year of membership. Employer contributions to the DCRP are set at 3% of base salary.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

DCRP requires employee contributions of 3% of base salary.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	$ 718,336	100 %	$ -0-
6/30/09	611,679	100	-0-
6/30/08	453,923	80	-0-

NOTE 6. PENSION PLANS (CONT'D)

Three-Year Trend Information for TPAF (Paid on-behalf of the District, excluding post-retirement medical benefits which are reported in Note 6)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	$ 139,521	100 %	$ -0-
6/30/09	133,325	100	-0-
6/30/08	2,935,815	100	-0-

During the current school year (2009-2010) and the prior school year (2008-2009), the State of New Jersey made no on-behalf payments to the TPAF system for normal pension costs or accrued liability. The amounts reported above for these years represent payments for the costs of non-contributory group life insurance premiums. In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $3,129,952.83 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 has been included in the basic financial statements.

NOTE 7. POST-EMPLOYMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, Chapter 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, Chapter 62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

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

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year Funding	Annual Post Retirement Medical Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	$ 2,620,403	100 %	$ -0-
6/30/09	2,543,507	100	-0-
6/30/08	2,939,056	100	-0-

The TPAF amounts listed above include contribution requirements for post retirement medical costs.

NOTE 8. COMPENSATED ABSENCES

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and accumulate for use in future years. Upon the attainment of specified years of service or upon reaching normal retirement age, employees become eligible to receive compensation for unused accumulated sick leave. The specific terms for eligibility and compensation are governed by the various collective bargaining agreements and employment contracts.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. The District has contracted with a private management company to provide food services. Personnel involved in cafeteria operations are employees of the management company and, accordingly, the District has no liability for vested compensated absences in its proprietary fund.

Statement No. 16 of the Governmental Accounting Standards Board (GASB 16) establishes the specific standards for the recognition of liabilities for compensated absences. GASB 16 establishes the following recognition and measurement criteria:

Vacation Leave - Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

a. The employees' rights to receive compensation are attributable to services already rendered, and

b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The above criteria were utilized by the Board in the determination of the reported liability for compensated absences relating to vacation leave.

Sick Leave - A liability should be accrued for sick leave and other compensated absences with similar characteristics using one of the following termination approaches:

a. A liability should be accrued as the benefits are earned by employees if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employees' termination or retirement (the Termination Payment Method), or

b. A liability should be accrued based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments (the Vesting Method).

Under either of the above methods, payment "caps" or reduced pay rates would be factored into the liability calculation.

NOTE 8. COMPENSATED ABSENCES (CONT'D.)

The amount of $1,675,326 presented in the District-wide financial statements as compensated absences payable reflects accruals utilizing the Vesting Method and includes amounts for each employee eligible for a termination payment currently and those who will become eligible within the next five years. Employees who separate from service prior to attaining eligibility are not entitled to termination payments. Accrued vacations are negligible and were not included in calculations of the total value of compensated absences payable.

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by third parties who are authorized by the Board and selected by each participant individually, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE 10. RISK MANAGEMENT

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

Property and Liability Insurance - The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the school year ended June 30, 2010, the District continued to transfer all insurable risks through the purchase of commercial insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage during each of the past three fiscal years. During the year ended June 30, 2010, there were no significant reductions in coverages from those provided in the previous year.

NOTE 11. NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

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

Due to legal restrictions imposed by the State of New Jersey on the accumulated balance in the District's Unemployment Compensation Insurance Fund, the District has elected to treat this fund as an expendable trust fund for the purpose of financial reporting. Information relating to this fund for the years ended June 30, 2010 and the previous two years is as follows:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2009-2010	$ 270.35	$ 299,929.54	$ 337,456.83	$ 4,687.74
2008-2009	551.31	105,966.40	224,648.84	41,944.68
2007-2008	5,344.88	100,755.72	98,777.03	160,075.81

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 972,519.18	$
Special Revenue Fund		369,673.92
Capital Projects Fund		590,364.11
Debt Service Fund		8,389.92
Payroll Agency Fund		2,807.15
Food Service Fund		1,284.08
Total	$ 972,519.18	$ 972,519.18

NOTE 13. INVENTORY

Inventory in the Food Service Fund at June 30, 2010 consisted of the following:

Food	$ 21,423

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 14. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the $3,775,002 General Fund fund balance at June 30, 2010, $1,321,227 is reserved for encumbrances; $800,000 has been appropriated and included as anticipated revenue for the year ending June 30, 2011; $449,912 has been reserved as "Excess Surplus N.J.S.A. 18A:7F-7; $869 has been reserved for the Capital Reserve Account; and $1,202,994 is unreserved and undesignated.

Debt Service Fund - Of the $1,610 Debt Service Fund fund balance at June 30, 2010, the amount of $33 has been appropriated and anticipated as revenue for the 2010-11 school year and $1,577 is unreserved and undesignated.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based upon the reduction in the maximum undesignated surplus permitted as a result of the enactment of S1701, the District had excess surplus at June 30, 2010 in the amount of $449,912. This amount is required to be utilized as tax relief in the 2011-2012 budget

NOTE 16. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District of Westfield Board of Education by inclusion of $1.00 on October 3, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). 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. 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 four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1 (d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted projects in its approved LRFP.

The activity of the capital reserve for July 1, 2009 to June 30, 2010 fiscal year is as follows:

Beginning Balance, July 1, 2009	$868.50
Ending Balance June 30, 2010	$868.50

NOTE 17. LITIGATION

As at the date of this report, there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the Westfield School District.

NOTE 18. SUBSEQUENT EVENTS

The District issued $3,830,000 of Refunding School Bonds with interest rates from 2.00% - 3.00% dated September 9, 2010. Final maturity on the refunding bonds is August 1, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

BUDGETARY COMPARISON SCHEDULES

SECTION - C

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
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	$ 78,195,764.00	$	$ 78,195,764.00	$ 78,195,764.00	$
Tuition				115,758.79	115,758.79
Transportation-Individual Fees				8,284.50	8,284.50
Miscellaneous	373,000.00		373,000.00	268,568.80	(104,431.20)
Total - Local Sources	78,568,764.00		78,568,764.00	78,588,376.09	19,612.09
State Sources:					
Transportation Aid	542,438.00		542,438.00	382,875.00	(159,563.00)
Special Ed. Aid	3,681,600.00	(125,000.00)	3,556,600.00	3,556,600.00	
Security Aid	466,172.00		466,172.00	466,172.00	
Adjustment Aid	105,304.00		105,304.00	68,448.00	(36,856.00)
Extraordinary Aid	380,554.00	125,000.00	505,554.00	868,585.00	363,031.00
Non-Public Transportation Aid				46,778.80	46,778.80
On-behalf TPAF Pension Contrib. (non-budgeted)				2,759,924.00	2,759,924.00
On-behalf TPAF Employer FICA Contrib. (non-budgeted)				3,129,952.83	3,129,952.83
Total - State Sources	5,176,068.00		5,176,068.00	11,279,335.63	6,103,267.63
Total Revenues	83,744,832.00		83,744,832.00	89,867,711.72	6,122,879.72

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool/Kindergarten	$ 483,834.00	$ 80,390.32	$ 564,224.32	$ 564,224.32	$
Grades 1- 5	10,794,938.00	347,399.74	11,142,337.74	11,140,560.84	1,776.90
Grades 6- 8	6,582,085.00	(12,805.59)	6,569,279.41	6,566,648.41	2,631.00
Grades 9-12	8,431,992.00	120,195.03	8,552,187.03	8,552,187.03	
Regular Programs - Home Instr.:					
Salaries of Teachers	130,000.00	(46,674.05)	83,325.95	83,325.95	
Purchased Prof./Educational Services	30,769.68		30,769.68	23,860.21	6,909.47
Regular Programs - Undistrib. Instr.:					
Purchased Prof./Educational Services	1,700.00		1,700.00	1,000.00	700.00
Purchased Technical Services	54,835.00	850.00	55,685.00	54,985.00	700.00
Other Purchased Services	447,715.81	(76,984.80)	370,731.01	305,521.19	65,209.82
General Supplies	918,916.73	(83,594.91)	835,321.82	743,374.40	91,947.42
Textbooks	168,378.17	(11,652.00)	156,726.17	80,666.62	76,059.55
Other Objects	46,411.00	73,589.70	120,000.70	69,174.96	50,825.74
Total Regular Programs	28,091,575.39	390,713.44	28,482,288.83	28,185,528.93	296,759.90
Learning/Language Disabilities:					
Salaries of Teachers	658,368.00	(3,860.60)	654,507.40	654,507.40	
Other Salaries for Instruction	241,277.00	(9,498.53)	231,778.47	231,778.47	
General Supplies	19,937.95	(142.95)	19,795.00	12,901.15	6,893.85
Textbooks	1,000.00	(450.11)	549.89	549.89	
Total Learning/Language Disabilities	920,582.95	(13,952.19)	906,630.76	899,736.91	6,893.85

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Auditory Impairments:					
General Supplies	$ 6,565.00	$ 2,000.00	$ 8,565.00	$ 5,362.83	$ 3,202.17
Total Auditorily Handicapped	6,565.00	2,000.00	8,565.00	5,362.83	3,202.17
Resource Room/Resource Center:					
Salaries of Teachers	4,035,531.00	128,373.04	4,163,904.04	4,163,904.04	
General Supplies	24,935.01	(250.00)	24,685.01	16,349.28	8,335.73
Textbooks	1,800.00	(1,213.12)	586.88	86.88	500.00
Total Resource Room/Resource Center	4,062,266.01	126,909.92	4,189,175.93	4,180,340.20	8,835.73
Autism:					
Salaries of Teachers	119,507.00	1,774.20	121,281.20	121,281.20	
Other Salaries for Instruction	128,372.00	(30,775.33)	97,596.67	97,596.67	
General Supplies	3,000.00		3,000.00	2,021.38	978.62
Total Autism	250,879.00	(29,001.13)	221,877.87	220,899.25	978.62
Preschool Disabilities - Part-time:					
Salaries of Teachers	252,491.00	610.19	253,101.19	253,101.19	
Other Salaries for Instruction	124,406.00	(5,011.45)	119,394.55	119,394.55	
General Supplies	11,000.00		11,000.00	10,202.51	797.49
Total Preschool Disabilities - Part-time	387,897.00	(4,401.26)	383,495.74	382,698.25	797.49
Total Special Education	5,628,189.96	81,555.34	5,709,745.30	5,689,037.44	20,707.86

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Basic Skills/Remedial:					
Salaries of Teachers	$ 873,560.00	$ (1,860.04)	$ 871,699.96	$ 871,699.96	$
General Supplies	7,780.00	(159.86)	7,620.14	6,681.34	938.80
Textbooks	100.00	(100.00)			
Total Basic Skills/Remedial	881,440.00	(2,119.90)	879,320.10	878,381.30	938.80
Bilingual Education:					
Salaries of Teachers	205,489.00	6,543.94	212,032.94	212,032.94	
General Supplies	3,901.35	200.00	4,101.35	4,073.51	27.84
Textbooks	1,500.00	(200.00)	1,300.00	1,194.71	105.29
Total Bilingual Education	210,890.35	6,543.94	217,434.29	217,301.16	133.13
School - Sponsored Cocurricular Activities:					
Salaries	291,300.00	64,438.62	355,738.62	355,738.62	
Purchased Services	17,172.15	700.00	17,872.15	9,101.35	8,770.80
Supplies and Materials	12,262.64	(171.64)	12,091.00	10,003.02	2,087.98
Other Objects	7,256.00	(1,575.00)	5,681.00	2,468.00	3,213.00
Total School - Sponsored Cocurricular Activities	327,990.79	63,391.98	391,382.77	377,310.99	14,071.78
School - Sponsored Athletics:					
Salaries	771,982.00	4,846.83	776,828.83	776,828.83	
Purchased Services	25,283.22	1,531.00	26,814.22	19,706.73	7,107.49
Supplies and Materials	72,554.19	400.00	72,954.19	72,045.68	908.51
Other Objects	105,086.00	17,389.00	122,475.00	120,818.60	1,656.40
Total School - Sponsored Athletics	974,905.41	24,166.83	999,072.24	989,399.84	9,672.40
Total Instruction	36,114,991.90	564,251.63	36,679,243.53	36,336,959.66	342,283.87

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	$ 861,148.00	$ 137,000.00	$ 998,148.00	$ 973,707.66	$ 24,440.34
Tuition to County Vocational School Dist. - Regular	261,100.00	(5,100.00)	256,000.00	211,750.00	44,250.00
Tuition to County Vocational School Dist. - Special	35,540.00	8,000.00	43,540.00	38,400.00	5,140.00
Tuition to Private Schools for the Disabled - Within State	4,431,200.62	(291,500.00)	4,139,700.62	3,944,092.44	195,608.18
Tuition to Private Schools for the Disabled and Other LEAs-Special, Outside the State	347,022.00	(45,600.00)	301,422.00	268,798.42	32,623.58
Tuition - Other	602,354.89	(289,355.49)	312,999.40	309,294.55	3,704.85
Total Undistrib. Expend. - Instruc.	6,538,365.51	(486,555.49)	6,051,810.02	5,746,043.07	305,766.95
Attendance and Social Work Services:					
Salaries	129,629.00	(33,073.31)	96,555.69	96,555.69	
Total Attendance and Social Work Serv.	129,629.00	(33,073.31)	96,555.69	96,555.69	

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Health Services:					
Salaries	$ 1,039,367.00	$ 25,037.70	$ 1,064,404.70	$ 1,064,404.70	$
Purchased Profess. and Tech. Serv.	226,868.50	(20,295.00)	206,573.50	162,327.25	44,246.25
Supplies and Materials	24,692.00	(205.00)	24,487.00	15,281.36	9,205.64
Other Objects	850.00		850.00	765.00	85.00
Total Health Services	1,291,777.50	4,537.70	1,296,315.20	1,242,778.31	53,536.89
Other Support Services-Student Related					
Salaries	1,036,599.00	(21,732.08)	1,014,866.92	1,014,866.92	
Purchased Profess./Educa. Services	969,537.50	320,375.00	1,289,912.50	1,098,904.61	191,007.89
Supplies and Materials	6,419.00		6,419.00	6,040.28	378.72
Total Other Support Services-Student Related	2,012,555.50	298,642.92	2,311,198.42	2,119,811.81	191,386.61
Other Support Services-Student Extra					
Salaries	937,028.00	219,239.49	1,156,267.49	1,156,267.49	
Other Objects	4,014.00	250.00	4,264.00	4,120.00	144.00
Total Other Support Services-Student Extra	941,042.00	219,489.49	1,160,531.49	1,160,387.49	144.00

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Other Support Services - Students - Reg.					
Salaries of Other Professional Staff	$ 1,489,999.00	$ 50,997.10	$ 1,540,996.10	$ 1,540,996.10	$
Salaries of Secret. & Clerical Assts.	209,174.00	(14,792.13)	194,381.87	194,381.87	
Other Salaries		3,267.50	3,267.50	100.00	3,167.50
Purchased Profess./Educa. Services	29,780.00	(3,267.50)	26,512.50	13,149.00	13,363.50
Other Purchased Services	9,380.00		9,380.00	5,627.62	3,752.38
Supplies and Materials	21,014.40	(792.90)	20,221.50	14,888.04	5,333.46
Other Objects	2,810.00		2,810.00	1,440.00	1,370.00
Total Other Support Services - Students - Regular	1,762,157.40	35,412.07	1,797,569.47	1,770,582.63	26,986.84
Other Support Services - Students - Spec.					
Salaries of Other Profess. Staff	1,018,831.00	40,690.01	1,059,521.01	1,059,521.01	
Salaries of Secret. & Clerical Assts.	191,310.00	(29,716.52)	161,593.48	161,593.48	
Purchased Profess./Educa. Services	79,973.00	1,418.00	81,391.00	59,668.38	21,722.62
Residential Costs	121,216.00	121,307.00	242,523.00	190,658.00	51,865.00
Misc. Purchased Services	6,577.00	(1,400.00)	5,177.00	4,031.53	1,145.47
Supplies and Materials	21,286.00		21,286.00	15,768.56	5,517.44
Total Other Support Services - Students - Special Services	1,439,193.00	132,298.49	1,571,491.49	1,491,240.96	80,250.53

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Improv. of Instruction Services/Other Support Services - Instruc. Staff:					
Salaries of Supervisors of Instruc.	$ 829,963.00	$ (60,050.14)	$ 769,912.86	$ 769,912.86	$
Salaries of Secty. and Clerical Assts.	146,677.00	(7,238.42)	139,438.58	139,438.58	
Other Salaries	35,000.00	(25,538.60)	9,461.40	9,461.40	
Purchased Profess./Educa. Services	4,000.00	(1,939.55)	2,060.45		2,060.45
Other Purchased Services	18,176.50		18,176.50	4,921.20	13,255.30
Supplies and Materials	32,896.30	(584.60)	32,311.70	20,969.56	11,342.14
Other Objects	14,918.00		14,918.00	6,747.00	8,171.00
Total Improv. of Instruction Services/ Other Support Serv. - Instruct. Staff	1,081,630.80	(95,351.31)	986,279.49	951,450.60	34,828.89
Educational Media Serv./School Library:					
Salaries	1,050,314.00	(13,023.69)	1,037,290.31	1,037,290.31	
Purch. Profess. and Tech. Serv.	11,997.00	1,682.76	13,679.76	12,471.72	1,208.04
Other Purchased Services	2,680.00	358.00	3,038.00	3,031.63	6.37
Supplies and Materials	189,086.21	(268.46)	188,817.75	172,494.08	16,323.67
Total Educa. Media Serv./School Library	1,254,077.21	(11,251.39)	1,242,825.82	1,225,287.74	17,538.08
Instructional Staff Training Services:					
Other Salaries	20,000.00	(19,096.00)	904.00	904.00	
Purch. Profess. Educ. Serv.	28,740.00	5,650.00	34,390.00	17,446.62	16,943.38
Other Purchased Services		130.00	130.00		130.00
Supplies and Materials	7,200.00	(219.00)	6,981.00	1,953.57	5,027.43
Other Objects	10,454.00	(2,604.00)	7,850.00	198.90	7,651.10
Total Instr. Staff Training Serv.	66,394.00	(16,139.00)	50,255.00	20,503.09	29,751.91

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Support Serv. General Administration:					
Salaries	$ 706,603.00	$ 137.20	$ 706,740.20	$ 705,667.94	$ 1,072.26
Legal Services	92,833.00	50,675.00	143,508.00	127,797.84	15,710.16
Audit Fees	35,000.00	6,000.00	41,000.00	32,832.50	8,167.50
Other Purch. Professional Services	9,400.00	(5,230.00)	4,170.00	767.50	3,402.50
Communications/Telephone	441,694.00	(60,103.44)	381,590.56	330,602.69	50,987.87
Misc. Purch Serv	428,411.00	8,016.90	436,427.90	389,159.40	47,268.50
General Supplies	19,075.00	(1,316.45)	17,758.55	12,756.27	5,002.28
Misc. Expenditures	52,050.00	18,769.00	70,819.00	47,700.33	23,118.67
BOE Membership Dues and Fees	31,500.00	(300.00)	31,200.00	30,066.00	1,134.00
Total Support Serv. General Administration	1,816,566.00	16,648.21	1,833,214.21	1,677,350.47	155,863.74
Support Serv. School Administration:					
Salaries of Principals/Asst. Principals	1,833,228.00	209,110.06	2,042,338.06	2,042,338.06	
Salaries of Other Professional Staff	79,962.00	3,462.60	83,424.60	83,424.60	
Salaries of Secty. and Clerical Assts.	989,029.00	31,794.97	1,020,823.97	1,020,823.97	
Purch. Professional & Technical Serv.	2,400.00		2,400.00	873.60	1,526.40
Other Purchased Services	38,193.11		38,193.11	23,209.33	14,983.78
Supplies and Materials	115,429.58	(6,743.40)	108,686.18	88,216.27	20,469.91
Other Objects	39,943.00	4,329.00	44,272.00	27,209.45	17,062.55
Total Support Serv. School Admin.	3,098,184.69	241,953.23	3,340,137.92	3,286,095.28	54,042.64
Central Services:					
Salaries	926,663.00	16,697.71	943,360.71	943,355.71	5.00
Purch. Professional Services	12,750.00	(1,650.00)	11,100.00	10,100.00	1,000.00
Purch. Technical Serv.	18,000.02	9,406.41	27,406.43	16,233.00	11,173.43
Misc. Purchased Services	64,576.00	5,990.00	70,566.00	46,992.17	23,573.83
Supplies and Materials	58,993.82	(9,441.45)	49,552.37	40,903.83	8,648.54
Miscellaneous Expenditures	29,946.00	2,856.00	32,802.00	24,542.64	8,259.36
Total Central Services	1,110,928.84	23,858.67	1,134,787.51	1,082,127.35	52,660.16

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Admin.Info Technology					
Salaries	$ 539,083.00	$ 17,452.38	$ 556,535.38	$ 556,535.38	$
Other Purchased Services	443,525.00	(21,100.00)	422,425.00	422,118.05	306.95
Supplies and Matierals	54,599.26	11,945.00	66,544.26	50,692.76	15,851.50
Total Admin Info Technology	1,037,207.26	8,297.38	1,045,504.64	1,029,346.19	16,158.45
Required Maint for School Facilities:					
Salaries	629,991.00	47,056.01	677,047.01	677,047.01	
Cleaning, Repair & Maint. Services	377,678.45	19,736.79	397,415.24	338,575.93	58,839.31
General Supplies	144,429.78	(31,908.00)	112,521.78	80,223.38	32,298.40
Other Objects	7,000.00	2,069.00	9,069.00	7,562.00	1,507.00
Total Required Maint for School Facilities	1,159,099.23	36,953.80	1,196,053.03	1,103,408.32	92,644.71
Other Operation and Maint. of Plant:					
Salaries	3,107,405.00	(329,130.73)	2,778,274.27	2,775,811.27	2,463.00
Purch. Professional & Technical Serv.	197,000.00	(543.00)	196,457.00	186,403.63	10,053.37
Cleaning, Repair & Maint. Services	183,703.90	(16,647.91)	167,055.99	125,486.96	41,569.03
Rental of Land & Bldg. Other than Lease Pur Agrmt	27,850.00	(850.00)	27,000.00	25,560.45	1,439.55
Other Purchased Property Services	70,000.00	14,000.00	84,000.00	74,450.43	9,549.57
Insurance	100,000.00	(3,100.00)	96,900.00	96,822.00	78.00
General Supplies	211,091.60	(671.47)	210,420.13	199,355.77	11,064.36
Energy (Heat & Electricity)	700,000.00	(35,000.00)	665,000.00	474,925.60	190,074.40
Energy (Natural Gas)	650,000.00	(95,771.77)	554,228.23	417,501.96	136,726.27
Other Objects	3,000.00		3,000.00	1,346.10	1,653.90
Total Other Operation & Maint. of Plant	5,250,050.50	(467,714.88)	4,782,335.62	4,377,664.17	404,671.45
Total Operation & Maint.	6,409,149.73	(430,761.08)	5,978,388.65	5,481,072.49	497,316.16

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Care & Upkeep Grounds					
Salaries	114,595.00	(50,431.18)	64,163.82	64,163.82	
Cleaning, Repair, and Maintenance Services	60,000.00	(43,565.79)	16,434.21	307.77	16,126.44
General Supplies	67,600.00	(32,968.00)	34,632.00	30,017.07	4,614.93
Total Care & Upkeep Grounds	242,195.00	(126,964.97)	115,230.03	94,488.66	20,741.37
Student Transportation Services:					
Contracted Services (Between Home & School) - Vendors	$ 141,070.00	$ 5,710.38	$ 146,780.38	$ 146,780.38	$
Contracted Services (Other Than Between Home & School) - Vendors	195,566.75	3,421.00	198,987.75	193,688.52	5,299.23
Contracted Services (Special Ed. Students) - Vendors	593,381.41	(9,710.00)	583,671.41	574,180.82	9,490.59
Contracted Services (Regular Students) - ESCs & CTSA's	60,000.00	(884.00)	59,116.00	54,328.54	4,787.46
Contracted Services (Special Ed. Students) - ESCs & CTSA's	1,688,302.48	(149,520.00)	1,538,782.48	1,185,891.99	352,890.49
Contracted Services - Aid in Lieu of Payments - NonPublic Schools	273,442.00	(47,616.38)	225,825.62	217,653.46	8,172.16
Total Student Transportation Services	2,951,762.64	(198,599.00)	2,753,163.64	2,372,523.71	380,639.93

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures (Cont'd.):					
Unallocated Employee Benefits:					
Group Insurance	$ 200,000.00	$ (25,000.00)	$ 175,000.00	$ 162,069.17	$ 12,930.83
Social Security Contributions	805,000.00	(5,000.00)	800,000.00	754,317.12	45,682.88
Unemployment Compensation		209,000.00	209,000.00	206,055.27	2,944.73
Other Retirement Contributions - Regular	674,600.00	44,500.00	719,100.00	718,969.57	130.43
Workmen's Compensation	442,750.00	(12,000.00)	430,750.00	430,344.37	405.63
Health Benefits	13,147,692.46	(377,700.00)	12,769,992.46	12,702,973.03	67,019.43
Tuition Reimbursements	240,202.75	(10,920.95)	229,281.80	115,665.17	113,616.63
Other Employee Benefits	125,000.00	(34,995.50)	90,004.50	90,004.50	
Total Unallocated Employee Benefits:	15,635,245.21	(212,116.45)	15,423,128.76	15,180,398.20	242,730.56
On-behalf TPAF Pension Contrib. (non-budgeted)				2,759,924.00	(2,759,924.00)
On-behalf TPAF Employer FICA Contrib. (non-budgeted)				3,129,952.83	(3,129,952.83)
Total Undistributed Expenditures	48,818,061.29	(629,673.84)	48,188,387.45	51,917,920.57	(3,729,533.12)
Total Expenditures - Current Expense	84,933,053.19	(65,422.21)	84,867,630.98	88,254,880.23	(3,387,249.25)

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.):					
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	$	$ 20,390.00	$ 20,390.00	$ 14,391.00	$ 5,999.00
Grades 6-8	13,000.00	38,654.21	51,654.21	32,349.19	19,305.02
Grades 9-12	7,000.00		7,000.00	2,940.00	4,060.00
Undistributed Expenditures:					
General Administration	5,900.00		5,900.00		5,900.00
School Administration		2,603.00	2,603.00	(7,259.32)	9,862.32
Required Maint. For School Facilities		3,775.00	3,775.00	(3,775.00)	7,550.00
Total Equipment	25,900.00	65,422.21	91,322.21	38,645.87	52,676.34
Facilities Acquis. & Constr. Services:					
Construction Services	4,000.00		4,000.00		4,000.00
Total Facil. Acquis. & Constr. Services	4,000.00		4,000.00		4,000.00
Total Capital Outlay	29,900.00	65,422.21	95,322.21	38,645.87	56,676.34

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total Expenditures	$ 84,962,953.19	$ (0.00)	$ 84,962,953.19	$ 88,293,526.10	$ (3,330,572.91)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,218,121.19)	0.00	(1,218,121.19)	1,574,185.62	2,792,306.81
Fund Balances, July 1	3,514,480.76		3,514,480.76	3,514,480.76	
Fund Balances, June 30	$ 2,296,359.57	$ 0.00	$ 2,296,359.57	$ 5,088,666.38	$ 2,792,306.81

Recapitulation:

Reserve for Encumbrances	$	1,321,227.54
Reserve for Excess Surplus		449,912.00
Capital Reserve		868.50
Designated for Subsequent Year's Expenditures		800,000.00
Unrestricted Fund Balance		2,516,658.34
		5,088,666.38
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payment not recognized on GAAP basis		(445,079.00)
Extraordinary Aid Payment 2009-2010		(868,585.00)
Fund Balance per Governmental Funds (GAAP)	$	3,775,002.38

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	$ 239,936.00	$ 11,254.00	$ 251,190.00	$ 217,814.25	$ (33,375.75)
Federal Sources	2,449,417.91	1,213,272.93	3,662,690.84	2,083,376.63	(1,579,314.21)
Local Sources	86,571.48	71,500.97	158,072.45	53,130.59	(104,941.86)
Total Revenues	2,775,925.39	1,296,027.90	4,071,953.29	2,354,321.47	(1,717,631.82)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	569,445.00	20,818.21	590,263.21	504,595.29	85,667.92
Purchased Professional/Technical Services	41,986.56	(435.15)	41,551.41		41,551.41
Purchased Professional/Educational Services	598.59	901.41	1,500.00	1,500.00	
Other Purchased Services					
General Supplies	178,746.13	116,867.71	295,613.84	168,060.17	127,553.67
Textbooks	37,563.00		37,563.00	35,789.25	1,773.75
Other Objects	6,863.55	1,538.84	8,402.39	3,522.71	4,879.68
Total Instruction	835,202.83	139,691.02	974,893.85	713,467.42	261,426.43
Support Services					
Personal Services - Salaries	1,029,835.84	222,250.73	1,252,086.57	754,230.87	497,855.70
Personal Services - Employee Benefits	182,207.60	167,273.24	349,480.84	244,324.25	105,156.59
Purchased Professional/Technical Services	151,046.00	169,045.00	320,091.00	146,161.10	173,929.90
Purchased Professional/Educational Services	15,721.50		15,721.50	671.50	15,050.00
Other Purchased Professional Services	44,544.00	21,548.00	66,092.00	66,092.00	

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Support Services					
Purchased Technical Services		$ 1,250.00	$ 1,250.00		$ 1,250.00
Other Purchased Services	$ 111,524.82	169,093.76	280,618.58	$ 29,545.79	251,072.79
Tuition	145,046.00	11,722.51	156,768.51	137,124.00	19,644.51
Supplies and Materials	91,503.52	(5,317.36)	86,186.16	32,911.57	53,274.59
Other Objects	25,000.00	5,000.00	30,000.00		30,000.00
Total Support Services	1,796,429.28	761,865.88	2,558,295.16	1,411,061.08	1,147,234.08
Facilities Acquisition and Construction Services:					
Instructional Equipment	144,293.28	393,584.00	537,877.28	229,792.97	308,084.31
Non-Instructional Equipment		887.00	887.00		887.00
Total Facilities Acquisition and Construction Services	144,293.28	394,471.00	538,764.28	229,792.97	308,971.31
Total Expenditures	2,775,925.39	1,296,027.90	4,071,953.29	2,354,321.47	1,717,631.82
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -0-	$ (0.00)	$ -0-	$ -0-	$ (0.00)

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

WESTFIELD SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	$ 89,867,711.72	(C-2)	$ 2,354,321.47
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized (Net)				(154,320.28)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements (Net)		(904,793.00)		
Total revenues as reported on the statement of revenues, expenditures and change in fund balances - governmental funds	(B-2)	$ 88,962,918.72	(B-2)	$ 2,200,001.19
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	$ 88,293,526.10	(C-2)	$ 2,354,321.47
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				(154,320.28)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	(B-2)	$ 88,293,526.10	(B-2)	$ 2,200,001.19

OTHER SUPPLEMENTARY INFORMATION

SCHOOL BASED BUDGET SCHEDULES

SECTION - D

SPECIAL REVENUE FUND

SECTION - E

WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	TOTAL BROUGHT FORWARD (EX. E-1a)	TOTAL BROUGHT FORWARD (EX. E-1b)	TITLE I PART A REGULAR 2007-2008	TITLE I PART A REGULAR 2009-2010	I.D.E.A. PART B BASIC 2006-2007	I.D.E.A. PART B BASIC 2008-2009	I.D.E.A. PART B BASIC 2009-2010	I.D.E.A. PART B BASIC - ARRA 2009-2010	I.D.E.A PART B PRESCHOOL 2008-2009	I.D.E.A. PART B PRESCHOOL 2009-2010
REVENUES										
State Sources	$ 217,814.25	$ -	$	$	$	$	$	$	$	
Federal Sources	-	-	465.00	165,614.95	299.75	213,748.81	1,094,591.16	445,965.46	9,869.00	10,407.65
Local Sources	21,548.00	31,582.59								
Total Revenues	239,362.25	31,582.59	465.00	165,614.95	299.75	213,748.81	1,094,591.16	445,965.46	9,869.00	10,407.65
EXPENDITURES										
Instruction:										
Salaries of Teachers	-	-		125,168.00		418.67	239,583.62	61,148.00		
Purchased Prof. - Educational Services	-	1,500.00								
General Supplies	357.00	30,082.59	465.00	469.65	299.75	35,845.21	88,015.45	964.30		4,302.65
Textbooks	35,789.25	-								
Other Objects	-			1,074.00		68.21	2,380.50			
Total Instruction	36,146.25	31,582.59	465.00	126,711.65	299.75	36,332.09	329,979.57	62,112.30		4,302.65
Support Services:										
Salaries of Other Prof. Staff		-				144,312.46	474,929.46	109,809.75		
Other Salaries	-	-								
Personal Services - Empl. Benefits	-	-		38,903.30			152,139.62	26,190.73		
Purch Prof. - Tech. Services						16,725.00	68,000.00	45,462.10	9,869.00	6,105.00
Purch. Prof. - Educ. Services	-	-					671.50			
Other Purch. Prof. Services	66,092.00	-								
Tuition	137,124.00	-								
Other Purch. Services (400-500 series)	-	-				1,085.44	26,632.85			
Supplies and Materials	-	-				5,110.82	25,018.77			
Total Support Services	203,216.00	-		38,903.30		167,233.72	747,392.20	181,462.58	9,869.00	6,105.00
Facilities Acquis. & Const. Serv.:										
Instructional Equipment	-					10,183.00	17,219.39	202,390.58		
Non-instructional Equipment	-	-								
Total Facil. Acquis. & Const. Serv.	-		-	-		10,183.00	17,219.39	202,390.58	-	-
Total Expenditures	$ 239,362.25	$ 31,582.59	$ 465.00	$ 165,614.95	$ 299.75	$ 213,748.81	$ 1,094,591.16	$ 445,965.46	$ 9,869.00	$ 10,407.65

WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	I.D.E.A. PART B PRESCHOOL - ARRA 2009-2010	TITLE IV PART A SUBPART 1 2009-2010	TITLE V INNOVATIVE PROGRAMS 2007-2008	TITLE II PART A 2008-2009	TITLE II PART A 2009-2010	TITLE III IMMIGRANT 2008-2009	TITLE III IMMIGRANT 2009-2010	TITLE II PART D 2008-2009	TITLE II PART D 2009-2010	TOTALS 2009-2010
REVENUES										
State Sources	$	$	$	$	$	$	$	$	$	$ 217,814.25
Federal Sources	34,370.08	924.92	7.06	305.67	102,428.79	177.58	3,575.06	22.68	603.01	2,083,376.63
Local Sources										53,130.59
Total Revenues	34,370.08	924.92	7.06	305.67	102,428.79	177.58	3,575.06	22.68	603.01	2,354,321.47
EXPENDITURES										
Instruction:										
Salaries of Teachers					78,277.00					504,595.29
Purchased Prof. - Educational Services										1,500.00
General Supplies	5,333.43					177.58	1,747.56			168,060.17
Textbooks										35,789.25
Other Objects										3,522.71
Total Instruction	5,333.43				78,277.00	177.58	1,747.56			713,467.42
Support Services:										
Salaries of Other Prof. Staff	25,179.20									754,230.87
Other Salaries										
Personal Services - Empl. Benefits	3,857.45				23,233.15					244,324.25
Purch. Prof. & Tech. Services										146,161.10
Purch. Prof. - Educ. Services										671.50
Other Purch. Prof. Services										66,092.00
Tuition										137,124.00
Other Purch. Services							1,827.50			29,545.79
Supplies and Materials		924.92	7.06	305.67	918.64			22.68	603.01	32,911.57
Total Support Services	29,036.65	924.92	7.06	305.67	24,151.79		1,827.50	22.68	603.01	1,411,061.08
Facilities Acquis. & Const. Serv.:										
Instructional Equipment										229,792.97
Non-instructional Equipment										
Total Facil. Acquis. & Const. Serv.										229,792.97
Total Expenditures	$ 34,370.08	$ 924.92	$ 7.06	$ 305.67	$ 102,428.79	$ 177.58	$ 3,575.06	$ 22.68	$ 603.01	$ 2,354,321.47

WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	NONPUBLIC TEXTBOOKS	NONPUBLIC NURSING	NONPUBLIC HOME INSTRUCTION	N.J. NONPUBLIC AUXILIARY SERV., CH.192 ESL	TRANS-PORTATION	COMP. EDUCATION	N.J. NONPUBLIC HANDICAPPED SERV., CH. 193 SUPPL. INST.	EXAM. AND CLASS.	CORR. SPEECH	TOTAL CARRIED FORWARD
REVENUES										
State Sources	$ 35,789.25	$ 44,544.00	$ 357.00	$ 979.00	$ 12,783.00	$ 35,894.00	$ 12,743.00	$ 29,058.00	$ 45,667.00	$ 217,814.25
Federal Sources										-
Local Sources		21,548.00								21,548.00
Total Revenues	35,789.25	66,092.00	357.00	979.00	12,783.00	35,894.00	12,743.00	29,058.00	45,667.00	239,362.25
EXPENDITURES										
Instruction:										
General Supplies			357.00							357.00
Textbooks	35,789.25									35,789.25
Total Instruction	35,789.25	-	357.00	-	-	-	-	-	-	36,146.25
Support Services:										
Other Purch. Prof. Services		66,092.00								66,092.00
Tuition				979.00	12,783.00	35,894.00	12,743.00	29,058.00	45,667.00	137,124.00
Other Purch. Services										
Total Support Services		66,092.00		979.00	12,783.00	35,894.00	12,743.00	29,058.00	45,667.00	203,216.00
Total Expenditures	$ 35,789.25	$ 66,092.00	$ 357.00	$ 979.00	$ 12,783.00	$ 35,894.00	$ 12,743.00	$ 29,058.00	$ 45,667.00	$ 239,362.25

WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Exhibit - E-1b

	WESTFIELD EDUCATION FOUNDATION	OTHER MINI-GRANTS	PROJECT 79 FUND	TOTAL CARRIED FORWARD
REVENUES				
Local Sources	$ 25,162.43	$ 2,840.16	$ 3,580.00	$ 31,582.59
Total Revenues	25,162.43	2,840.16	3,580.00	31,582.59
EXPENDITURES				
Instruction:				
Purchased Prof. - Educational Services	1,500.00			1,500.00
Purch. Prof. & Tech. Services				
Other Purch. Services				
General Supplies	23,662.43	2,840.16	3,580.00	30,082.59
Other Objects				
Total Instruction	25,162.43	2,840.16	3,580.00	31,582.59
Support Services:				
Purch. Prof. - Educ. Services				
Other Purch. Services				
Supplies and Materials				
Other Objects				
Total Support Services				
Facilities Acquis. & Const. Serv.:				
Non-instructional Equipment				
Total Facil. Acquis. & Const. Serv.	-		-	
Total Expenditures	$ 25,162.43	$ 2,840.16	$ 3,580.00	$ 31,582.59

CAPITAL PROJECTS FUND

SECTION - F

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2010

Exhibit - F-1

ISSUE/PROJECT TITLE	APPROPRIATION	EXPENDITURES TO DATE PRIOR YEARS	EXPENDITURES TO DATE CURRENT YEAR	UNEXPENDED BALANCE
Construction of Additions and Renovations at Westfield High School and the Girl's Athletic Facilities at the Fieldhouse, including the Acquisition and Installation of Furnishings and Equipment and Site Work	$21,495,000.00	$20,129,144.11	$695,026.33	$670,829.56
Washington School Boiler Replacement	255,894.50	245,584.50		10,310.00
Renovation of Lincoln School to an Early Childhood Center, Additions to Library and Cafeteria at Roosevelt Intermediate School and partial window replacement at Edison Intermediate School	9,396,000.00	9,089,580.47	240,910.78	65,508.75
	$31,146,894.50	$29,464,309.08	$935,937.11	$746,648.31

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

Revenues and Other Financing Sources	
State Sources - SCC Grant	$ 228,832.97
Total revenues	228,832.97
Expenditures and Other Financing Uses	
Purchased professional and technical services	66,791.61
Construction services	860,609.95
Equipment purchases	8,535.55
Transfer to debt service fund	
Total expenditures	935,937.11
Excess (deficiency) of revenues over (under) expenditures	(707,104.14)
Fund balance - beginning	1,232,575.52
Fund balance - ending	$ 525,471.38

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION AND ADDITIONS & RENOVATIONS TO HIGH SCHOOL AND GIRLS ATHLETIC FACILITIES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010
SUMMARY

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 6,121,430.70	$ 228,832.97	$ 6,350,263.67	$ 6,571,130.00
Bond proceeds and transfers	14,923,870.00	-	14,923,870.00	14,923,870.00
Contribution from private source	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	21,045,300.70	228,832.97	21,274,133.67	21,495,000.00
Expenditures and Other Financing Uses				
Purchased professional and technical services	2,844,217.91	36,481.75	2,880,699.66	3,178,574.95
Other salaries	37,911.74	-	37,911.74	37,911.74
Land and Improvements	-	-	-	-
Construction services	15,848,983.41	652,824.18	16,501,807.59	16,929,609.40
Rental service	96,598.00	-	96,598.00	96,598.00
Equipment purchases	1,301,433.05	5,720.40	1,307,153.45	1,252,305.91
Total expenditures	20,129,144.11	695,026.33	20,824,170.44	21,495,000.00
Excess (deficiency) of revenues over (under) expenditures	$ 916,156.59	$ (466,193.36)	$ 449,963.23	$ -

Additional project information:	
Project Number	SP201327
Grant Date	11/09/01
Bond Authorization Date	08/01/01
Bonds Authorized	$14,923,000
Bonds Issued	$14,923,000
Original Authorized Cost	$21,495,000
Additional Authorized Cost	N/A
Revised Authorized Cost	$21,495,000
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	90%
Original target completion date	Nov-06
Revised target completions date	Jun-11

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION AND ADDITIONS & RENOVATIONS TO HIGH SCHOOL
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 Grant	$ 6,121,430.70	$ 228,832.97	$ 6,350,263.67	$ 6,571,130.00
Bond proceeds and transfers	13,387,132.33	-	13,387,132.33	13,387,132.33
Contribution from private source	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	19,508,563.03	228,832.97	19,737,396.00	19,958,262.33
Expenditures and Other Financing Uses				
Purchased professional and technical services	2,718,713.24	36,481.75	2,755,194.99	3,053,070.28
Other salaries	37,911.74	-	37,911.74	37,911.74
Land and Improvements		-	-	-
Construction services	14,437,750.41	652,824.18	15,090,574.59	15,518,376.40
Rental service	96,598.00	-	96,598.00	96,598.00
Equipment purchases	1,301,433.05	5,720.40	1,307,153.45	1,252,305.91
Total expenditures	18,592,406.44	695,026.33	19,287,432.77	19,958,262.33
Excess (deficiency) of revenues over (under) expenditures	$ 916,156.59	$ (466,193.36)	$ 449,963.23	$ -

Additional project information:	
Project Number	SP201327
Grant Date	11/09/01
Bond Authorization Date	08/01/01
Bonds Authorized	$13,386,262
Bonds Issued	$13,386,262
Original Authorized Cost	$19,958,262
Additional Authorized Cost	N/A
Revised Authorized Cost	$19,958,262
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	83%
Original target completion date	Nov-06
Revised target completions date	Jun-11

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
GIRLS ATHLETIC FACILITIES
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 Grant	$ -	$ -	$ -	$ -
Bond proceeds and transfers	1,536,737.67		1,536,737.67	1,536,737.67
Contribution from private source	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	1,536,737.67	-	1,536,737.67	1,536,737.67
Expenditures and Other Financing Uses				
Purchased professional and technical services	125,504.67	-	125,504.67	125,504.67
Other salaries	-	-	-	-
Land and Improvements	-	-	-	-
Construction services	1,411,233.00	-	1,411,233.00	1,411,233.00
Rental service	-	-	-	-
Equipment purchases	-	-	-	-
Total expenditures	1,536,737.67	-	1,536,737.67	1,536,737.67
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	$ -	$ -

Additional project information:	
Project Number	SP201327
Grant Date	11/09/01
Bond Authorization Date	08/01/01
Bonds Authorized	$1,536,738
Bonds Issued	$1,536,738
Original Authorized Cost	$1,536,738
Additional Authorized Cost	N/A
Revised Authorized Cost	$1,536,738
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-05
Revised target completions date	Sep-05

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
BOILER REPLACEMENT WASHINGTON SCHOOL
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 Grant	$ 55,894.50	$	$ 55,894.50	$ 55,894.50
Transfer from capital outlay	200,000.00		200,000.00	200,000.00
Total revenues	255,894.50		255,894.50	255,894.50
Expenditures and Other Financing Uses				
Purchased professional and technical services	21,400.00		21,400.00	21,400.00
Land and Improvements				
Construction services	224,184.50		224,184.50	234,494.50
Equipment purchases				
Transfer to debt service fund				
Total expenditures	245,584.50		245,584.50	255,894.50
Excess (deficiency) of revenues over (under) expenditures	$ 10,310.00	$	$ 10,310.00	$

Additional project information:	
Project Number	5730-150-05-1000
Grant Date	07/13/05
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$312,606
Additional Authorized Cost	
Revised Authorized Cost	$255,895
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	92%
Original target completion date	Dec-06
Revised target completions date	Dec-10

WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
RENOVATION OF LINCOLN SCHOOL TO AN EARLY CHILDHOOD CENTER, ADDITIONS TO LIBRARY AND
CAFETERIA AT ROOSEVELT INTERMEDIATE SCHOOL, PARTIAL WINDOW REPLACEMENT AT EDISON INTERMEDIATE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond proceeds and transfers	$ 9,396,000.00	$	$ 9,396,000.00	$ 9,396,000.00
Total revenues	9,396,000.00		9,396,000.00	9,396,000.00
Expenditures and Other Financing Uses				
Purchased professional and technical services	1,312,523.97	30,309.86	1,342,833.83	1,141,700.00
Land and Improvements				
Construction services	7,671,704.87	207,785.77	7,879,490.64	8,063,500.00
Equipment purchases	82,751.63	2,815.15	85,566.78	190,800.00
Transfer to debt service fund	22,600.00		22,600.00	
Total expenditures	9,089,580.47	240,910.78	9,330,491.25	9,396,000.00
Excess (deficiency) of revenues over (under) expenditures	$ 306,419.53	$ (240,910.78)	$ 65,508.75	$

Additional project information:	
Project Number	
Grant Date	N/A
Bond Authorization Date	
Bonds Authorized	$9,396,000
Bonds Issued	$9,396,000
Original Authorized Cost	$9,396,000
Additional Authorized Cost	
Revised Authorized Cost	$9,396,000
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	93%
Original target completion date	Dec-08
Revised target completions date	Dec-10

PROPRIETARY FUND

SECTION – G

ENTERPRISE FUND

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
FOOD SERVICES ENTERPRISE FUND
AS OF JUNE 30, 2010

ASSETS		2010
Current Assets:		
Cash and Cash Equivalents	$	150,892.29
Accounts Receivable:		
State		389.58
Federal		4,472.86
Inventories		21,422.52
Total Current Assets		177,177.25
Noncurrent Assets:		
Fixed Assets:		
Equipment		127,224.90
Accumulated Depreciation		(69,743.77)
Total Noncurrent Assets		57,481.13
Total Assets	$	234,658.38
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$	77,151.53
Interfund Payable		1,284.08
Total Current Liabilities		78,435.61
Net Assets:		
Invested in capital assets net of related debt		57,481.13
Unreserved Net Assets		98,741.64
Total Net Assets		156,222.77
Total Liabilities and Net Assets	$	234,658.38

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOOD SERVICES ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

		2010
OPERATING REVENUES		
Local Sources:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	$	963,088.28
Special Functions and Other Income		51,023.42
Total Operating Revenues		1,014,111.70
OPERATING EXPENSES		
Management Contract Costs		
Food		387,728.24
Labor		486,769.99
Supplies		2,270.21
Office		23,025.14
Insurance		20,809.18
Laundry/Uniforms		6,825.52
Misc. Expenses		4,223.99
Management Fees		109,005.73
Depreciation		5,632.67
Total Operating Expenses		1,046,290.67
Operating Income (Loss)		(32,178.97)
Non-Operating Revenues:		
State Sources:		
State School Lunch Program		4,482.70
Federal Sources:		
U.S.D.A. Commodities		29,845.61
National School Lunch Program		51,486.88
Total Non-Operating Revenues		85,815.19
Change in Net Assets		53,636.22
Total Net Assets Beginning		102,586.55
Total Net Assets Ending	$	156,222.77

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
FOOD SERVICES ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	2010
Cash Flows from Operating Activities:	
Receipts from Customers	$ 1,014,111.70
Payments to Suppliers	(1,023,761.91)
Net Cash Provided by (used for) Operating Activities	(9,650.21)
Cash Flows from Non-Capital Financing Activities	
State Sources	4,393.90
Federal Sources	50,254.71
Transfer from General Fund - Interfund	1,284.08
Net Cash Provided by (used for) Non-Capital Financing Activities	55,932.69
Cash Flows from Capital and Related Financing Activities	
Purchase of Equipment	(885.00)
Net Increase (Decrease) in Cash and Cash Equivalents	45,397.48
Cash and Cash Equivalents, July 1	105,494.81
Cash and Cash Equivalents, June 30	$ 150,892.29
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ (32,178.97)
Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:	
Depreciation	5,632.67
Federal Commodities	29,845.61
(Increase) Decrease in Inventory	(7,180.65)
Increase (Decrease) in Accounts Payable	(5,768.87)
Net Cash Used by Operating Activities	$ (9,650.21)

INTERNAL SERVICE FUND

FIDUCIARY FUNDS

SECTION - H

Exhibit - H-1

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	UNEMPLOYMENT COMPENSATION	AGENCY STUDENT ACTIVITY	AGENCY PAYROLL	TOTALS 2010
ASSETS				
Cash and Cash Equivalents	$ 43,287.74	$ 396,096.23	$ 401,308.23	$ 840,692.20
Total Assets	$ 43,287.74	$ 396,096.23	$ 401,308.23	$ 840,692.20
LIABILITIES AND NET ASSETS				
Liabilities:				
Payroll Deductions and Withholdings	$ 30,199.92	$	$ 398,501.08	$ 428,701.00
Accounts Payable	8,400.08			8,400.08
Interfund Accounts Payable			2,807.15	2,807.15
Due to Student Groups		396,096.23		396,096.23
Total Liabilities	38,600.00	396,096.23	401,308.23	836,004.46
Net Assets:				
Unreserved	4,687.74			4,687.74
Total Net Assets	4,687.74			4,687.74
Total Liabilities and Net Assets	$ 43,287.74	$ 396,096.23	$ 401,308.23	$ 840,692.20

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

		Unemployment Compensation Trust
ADDITIONS		
Contributions:		
Dedicated Payroll Withholdings	$	93,874.27
Other		206,055.27
Total Contributions		299,929.54
Investment Earnings:		
Interest		270.35
Net Investment Earnings		270.35
Total Additions		300,199.89
DEDUCTIONS		
Quarterly contribution reports		337,456.83
Total Deductions		337,456.83
Change in Net Assets		(37,256.94)
Net Assets - beginning of the year		41,944.68
Net Assets - end of the year	$	4,687.74

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	BALANCE JUNE 30, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
ELEMENTARY SCHOOLS				
Franklin	$ 3,095.88	$ 32,463.16	$ 32,901.66	$ 2,657.38
Jefferson	5,939.07	18,079.50	17,270.19	6,748.38
Lincoln	518.56	3,622.59		4,141.15
McKinley	4,363.70	22,662.45	21,408.96	5,617.19
Tamaques	45.09	23,141.40	22,847.25	339.24
Washington	3,360.49	22,087.25	20,045.37	5,402.37
Wilson	18,143.04	43,380.00	42,344.14	19,178.90
Total Elementary Schools	$ 35,465.83	$ 165,436.35	$ 156,817.57	$ 44,084.61
INTERMEDIATE SCHOOLS				
Edison	$ 29,663.56	$ 118,258.76	$ 111,570.11	$ 36,352.21
Roosevelt	78,808.37	106,465.89	102,781.37	82,492.89
Total Intermediate Schools	$ 108,471.93	$ 224,724.65	$ 214,351.48	$ 118,845.10
SENIOR HIGH SCHOOLS				
Westfield H.S.	$ 178,079.51	480,925.96	$ 425,838.95	$ 233,166.52
Total Senior High Schools	$ 178,079.51	$ 480,925.96	$ 425,838.95	$ 233,166.52
Total All Schools	$ 322,017.27	$ 871,086.96	$ 797,008.00	$ 396,096.23

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

	BALANCE JUNE 30, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
ASSETS				
Cash and Cash Equivalents	$ 370,108.99	$ 24,646,282.85	$ 24,615,083.61	$ 401,308.23
Total Assets	$ 370,108.99	$ 24,646,282.85	$ 24,615,083.61	$ 401,308.23
LIABILITIES				
Payroll Deductions and Withholdings	$ 370,108.99	$ 24,643,475.70	$ 24,615,083.61	$ 398,501.08
Due to General Fund		2,807.15		2,807.15
Total Liabilities	$ 370,108.99	$ 24,646,282.85	$ 24,615,083.61	$ 401,308.23

LONG TERM DEBT

SECTION - I

WESTFIELD SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2010

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2009	RETIRED	BALANCE JUNE 30, 2010
Construction and Renovations at the Westfield High School and Girls' Athletic Facility at the Field House, including the Acquisition and Installation of Furnishings and Equipment and Site Work	8/1/2001	$ 14,923,000	8/1/2010	$ 600,000	4.375%			
			8/1/2011	950,000	4.375%			
			8/1/2012-13	950,000	4.400%			
			8/1/2014-15	950,000	4.500%	$ 5,850,000.00	$ 500,000.00	$ 5,350,000.00
Artificial Turf Field and Replacement of Running Track At Kehler Stadium	3/15/2005	1,381,000	3/1/2011	140,000	3.300%			
			3/1/2012	145,000	3.400%			
			3/1/2013	155,000	3.400%			
			3/1/2014	160,000	3.450%			
			3/1/2015	156,000	3.500%	891,000.00	135,000.00	756,000.00
Refunding School Bonds	9/1/2006	9,195,000	9/1/2010	35,000	3.500%			
			9/1/2011	35,000	3.500%			
			9/1/2012	35,000	3.600%			
			9/1/2013	35,000	3.625%			
			9/1/2014	40,000	3.700%			
			9/1/2015	610,000	4.100%			
			9/1/2016	1,585,000	4.000%			
			9/1/2017	1,605,000	4.000%			
			9/1/2018	1,600,000	4.000%			
			9/1/2019	1,615,000	4.000%			
			9/1/2020	940,000	4.000%			
			9/1/2021	930,000	4.000%	9,095,000.00	30,000.00	9,065,000.00
Renovations and alterations at Lincoln School, additions renovations and alterations at Roosevelt Intermediate School and replacement of windows at Thomas Edison Intermediate School	10/1/2007	9,396,000	10/1/2010	400,000	3.875%			
			10/1/2011	350,000	4.000%			
			10/1/2012	400,000	4.000%			
			10/1/2013	450,000	4.000%			
			10/1/2014	625,000	4.000%			
			10/1/2015	325,000	4.000%			
			10/1/2016	350,000	4.000%			
			10/1/2017	400,000	4.000%			
			10/1/2018	500,000	4.000%			
			10/1/2019	575,000	4.000%			
			10/1/2020	400,000	4.000%			
			10/1/2021	475,000	4.000%			
			10/1/2022	600,000	4.000%			
			10/1/2023	625,000	4.000%			
			10/1/2024	650,000	4.000%			
			10/1/2025	650,000	4.000%			
			10/1/2026	650,000	4.100%			
			10/1/2027	646,000	4.100%	9,396,000.00	325,000.00	9,071,000.00

WESTFIELD SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2010

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2009	RETIRED	BALANCE JUNE 30, 2010
Refunding School Bonds	3/1/2009	3,195,000	3/1/2011	725,000	3.000%			
			3/1/2012	505,000	3.000%			
			3/1/2013	525,000	3.000%			
			3/1/2014	540,000	3.000%	3,195,000.00	900,000.00	2,295,000.00
						$ 28,427,000.00	$ 1,890,000.00	$ 26,537,000.00

WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
LONG-TERM DEBT
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	$ 2,152,919.00	$ -	$ 2,152,919.00	$ 2,152,919.00	$ -
Miscellaneous	40,000.00	-	40,000.00	41,500.00	1,500.00
Interest Earned		-		77.13	77.13
Total Local Sources:	2,192,919.00	-	2,192,919.00	2,194,496.13	1,577.13
State Aid - Debt Service	503,884.00	-	503,884.00	503,884.00	-
Total Revenues	2,696,803.00	-	2,696,803.00	2,698,380.13	1,577.13
EXPENDITURES:					
Regular Debt Service:					
Redemption of Bond Principal	1,890,000.00	-	1,890,000.00	1,890,000.00	-
Bond Interest	1,087,267.00	-	1,087,267.00	1,087,266.65	(0.35)
Total Regular Debt Service	2,977,267.00	-	2,977,267.00	2,977,266.65	(0.35)
Total expenditures	2,977,267.00	-	2,977,267.00	2,977,266.65	(0.35)
Fund Balance, July 1	280,496.60	-	280,496.60	280,496.60	-
Fund Balance, June 30	32.60	-	32.60	1,610.08	1,577.48
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	$ (280,464.00)	$ -	$ (280,464.00)	$ (278,886.52)	$ 1,577.48

Statistical Section (Unaudited)

SECTION - J

WESTFIELD BOARD OF EDUCATION
NET ASSETS BY COMPONENTS
LAST EIGHT FISCAL YEARS

Exhibit J-1
GASB B-1

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	$ 45,745,598	$ 16,366,666	$ 16,363,139	$ 19,015,648	$ 20,198,603	$ 16,197,054	$ 20,633,404	$ 21,718,368
Restricted	11,232,605	7,729,456	7,998,054	6,580,355	4,882,153	7,214,246	2,264,758	2,299,089
Unrestricted	1,363,184	183,375	(280,253)	(633,270)	(437,487)	85,055	213,871	(44,533)
Total governmental activities net assets	$ 58,341,386	$ 24,279,498	$ 24,080,939	$ 24,962,733	$ 24,643,269	$ 23,496,356	$ 23,112,033	$ 23,972,924
Business-type activities								
Invested in capital assets, net of related debt	$ 4,934	$ 3,195	$ 56,362	$ 51,486	$ 70,960	$ 66,283	$ 62,229	$ 57,481
Restricted	-	-	-	-	-	-		
Unrestricted	169,859	153,074	71,659	67,603	47,873	46,811	40,358	98,742
Total business-type activities net assets	$ 174,794	$ 156,268	$ 128,022	$ 119,089	$ 118,833	$ 113,094	$ 102,587	$ 156,223
District-wide								
Invested in capital assets, net of related debt	$ 45,750,532	$ 16,369,861	$ 16,419,501	$ 19,067,134	$ 20,269,563	$ 16,263,337	$ 20,695,633	$ 21,775,849
Restricted	11,232,605	7,729,456	7,998,054	6,580,355	4,882,153	7,214,246	2,264,758	2,299,089
Unrestricted	1,533,043	336,449	(208,594)	(565,667)	(389,614)	131,866	254,229	54,209
Total district net assets	$ 58,516,179	$ 24,435,766	$ 24,208,961	$ 25,081,822	$ 24,762,102	$ 23,609,450	$ 23,214,620	$ 24,129,147

Source: CAFR Scehdule A-1

WESTFIELD BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS

Exhibit J-2
GASB B-2

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
EXPENSES								
Governmental Activities								
Instruction								
Regular	$ 24,146,890	$ 27,335,351	$ 27,449,173	$ 26,936,411	$ 27,118,231	$ 27,666,559	$ 28,237,946	$ 28,144,634
Special Education	3,713,156	3,864,503	4,069,230	4,478,044	4,859,988	5,151,380	5,478,684	6,309,395
Other Special Instruction	782,905	761,434	887,853	949,618	1,043,750	1,036,011	1,021,996	1,095,682
Other Instruction	970,103	918,607	963,949	1,108,599	1,383,903	1,583,581	1,605,820	1,366,711
Support Services								
Tuition	4,307,723	4,593,206	5,241,293	5,021,997	5,415,837	5,634,370	6,072,048	5,746,043
Student & Instruction Related Services	8,726,364	8,806,664	9,204,135	9,765,488	10,056,783	10,838,549	11,180,709	11,339,433
School Administrative Services	2,699,316	2,757,348	2,748,860	2,821,967	2,784,382	3,057,743	3,124,291	3,308,431
General & Business Administrative Services	2,233,503	2,457,452	3,625,504	3,545,780	4,123,988	3,556,545	3,503,649	3,811,433
Plant Operations and Maintenance	5,019,655	5,552,635	5,175,128	5,754,376	5,591,527	5,768,221	6,059,765	5,582,678
Pupil Transportation	1,949,074	1,924,882	2,195,200	2,326,760	2,706,037	2,569,663	2,803,755	2,372,524
Unallocated Benefits	11,366,230	13,528,031	15,024,360	15,642,988	19,648,340	21,538,306	19,493,166	21,070,275
Special Schools	-	-	-	-	-	-		
Charter Schools	-	-	-	-	-	-		
Interest on Long-Term Debt	1,167,414	1,118,049	1,081,805	1,060,108	939,220	1,172,845	1,173,489	1,077,696
Unallocated Depreciation & Amortization	-	394,187	385,924	1,586,199	1,497,052	1,509,995	1,582,203	2,004,307
Capital Outlay	9,193,652	-	-	-	-	-		
Total Governmental Activities	76,295,985	74,012,350	78,052,413	80,998,336	87,369,038	91,103,769	91,337,542	93,229,242
Business-Type Activities:								
Food Service	986,837	1,077,323	1,083,136	975,041	1,054,833	1,142,450	1,117,357	1,046,291
Child Care	-	-	-	-	-	-		
Total Business-Type Activities	986,837	1,077,323	1,083,136	975,041	1,054,833	1,142,450	1,117,357	1,046,291
Total Primary Government Expenses	$ 77,282,823	$ 75,089,673	$ 79,135,548	$ 81,973,377	$ 88,423,871	$ 92,246,219	$ 92,454,899	$ 94,275,533
Program Revenues								
Governmental Activities								
Charges for Services								
Instruction (tuition)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pupil Transportation	-	-	-	-	-	-		
Business and Other Support Services	-	-	-	-	-	-		
Operating Grants and Contributions	4,191,984	5,074,949	5,304,056	6,012,161	8,611,686	8,754,459	5,698,789	5,889,877
Interest on Long-Term Debt	258,124	257,412	257,563	257,426	256,997	252,893	457,378	503,884
Capital Grants and Contributions	-	-	-	-	-	-		
Total Governmental Activities Program Revenues	4,450,108	5,332,361	5,561,619	6,269,587	8,868,683	9,007,352	6,156,167	6,393,761

WESTFIELD BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS

Exhibit J-2
GASB B-2

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Business-Type Activities								
Charges for Services								
Food Service	950,678	969,301	962,940	878,276	980,051	1,046,190	1,033,776	1,014,112
Child Care	-	-	-	-	-	-		
Operating Grants and Contributions	64,803	72,130	74,063	84,321	61,768	72,935	65,346	85,815
Capital Grants and Contributions	-	-	-	-	-	-		
Total Business Type Activities Program Revenues	1,015,481	1,041,431	1,037,004	962,597	1,041,819	1,119,126	1,099,122	1,099,927
Total District Program Revenues	$ 5,465,589	$ 6,373,792	$ 6,598,623	$ 7,232,183	$ 9,910,502	$ 10,126,476	$ 7,255,289	$ 7,493,688
Net (Expense)/Revenue								
Governmental Activities	$ (71,845,878)	$ (68,679,989)	$ (72,490,794)	$ (74,728,749)	$ (78,500,355)	$ (82,096,417)	$ (85,181,375)	$ (86,835,481)
Business-Type Activities	28,644	(35,892)	(46,132)	(12,444)	(13,014)	(23,324)	(18,235)	53,636
Total District-Wide Net Expense	$ (71,817,234)	$ (68,715,881)	$ (72,536,925)	$ (74,741,193)	$ (78,513,369)	$ (82,119,741)	$ (85,199,611)	$ (86,781,845)
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Property Taxes, Levied for General Purposes, Net	$ 55,991,817	$ 59,635,597	$ 62,501,165	$ 65,331,148	$ 68,227,778	$ 71,096,796	$ 75,086,661	$ 78,195,764
Taxes Levied for Debt Service	1,772,910	1,789,067	1,939,965	2,084,490	1,992,911	2,019,180	2,231,527	2,152,919
Unrestricted Grants and Contributions	4,134,454	4,847,291	5,283,959	4,828,352	4,802,251	5,048,711	5,055,022	4,484,666
Restricted Grants and Contributions	6,238,136	1,696,691	1,719,252	2,501,253	2,114,750	2,045,006	2,101,165	2,383,944
Tuition Received	23,858	3,022	972	15,946	46,969	65,835	41,593	115,759
Investment earnings	244,731	199,268	218,833	443,941	644,906	632,761	115,631	125,780
Miscellaneous Income	252,995	315,442	647,974	408,924	395,304	58,800	173,181	237,541
Cancellation of Accounts Receivable	-	-	-	-	(31,220)	-		
Cancellation of Accrued Liability	118,344	-	-	-	-	-		
Transfers	(14,302)	(13,663)	(17,885)	(3,511)	(12,758)	(17,585)	(7,728)	
Total Governmental Activities	68,762,942	68,472,715	72,292,235	75,610,543	78,180,891	80,949,503	84,797,053	87,696,372
Business-Type Activities								
Miscellaneous Income	3,136	3,704	-	-	-	-		
Transfers	14,302	13,663	17,885	3,511	12,758	17,585	7,728	
Total Business-Type Activities	17,438	17,367	17,885	3,511	12,758	17,585	7,728	-
Total Primary Government	$ 68,780,380	$ 68,490,082	$ 72,310,120	$ 75,614,055	$ 78,193,649	$ 80,967,088	$ 84,804,781	$ 87,696,372
Change in Net Assets								
Governmental Activities	$ (3,082,935)	$ (207,274)	$ (198,558)	$ 881,795	$ (319,464)	$ (1,146,914)	$ (384,322)	$ 860,891
Business-Type Activities	46,082	(18,525)	(28,247)	(8,933)	(256)	(5,739)	(10,508)	53,636
Total District	$ (3,036,853)	$ (225,799)	$ (226,805)	$ 872,862	$ (319,720)	$ (1,152,653)	$ (394,830)	$ 914,527

Source: CAFR Schedule A-2

WESTFIELD BOARD OF EDUCATION
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Exhibit J-3
GASB B-3

	Fiscal Year Ending June 30,									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved:	$ 1,821,000	$ 1,503,794	$ 1,207,088	$ 1,279,816	$ 1,672,458	$ 2,234,500	$ 1,074,573	$ 1,426,032	$ 751,686	$ 1,772,008
Unreserved:	3,607,884	3,492,389	4,079,858	4,159,322	3,638,680	3,270,853	3,577,772	2,397,430	2,353,924	2,002,994
Total General Fund	$ 5,428,884	$ 4,996,183	$ 5,286,946	$ 5,439,139	$ 5,311,138	$ 5,505,353	$ 4,652,345	$ 3,823,463	$ 3,105,609	$ 3,775,002
All Other Governmental Funds										
Reserved:	$ 995,748	$ 9,935,575	$ 4,331,489	$ 1,208,212	$ 1,749,372	$ 356,536	$ 696,178	$ 4,071,775	$ 878,233	$ 274,664
Unreserved, Reported In:										
Special Revenue Fund	-	-	(10,900)	-	-	-	-	-		
Capital Projects Fund	415,227	3,453,655	4,545,169	3,204,495	2,595,640	2,003,837	814,212	1,332,452	354,342	250,807
Debt Service Fund	183,611	213,125	248,858	83,294	100,990	156,127	221,810	383,987	280,497	1,610
Total All Other Governmental Funds	$ 1,594,586	$ 13,602,356	$ 9,114,616	$ 4,496,001	$ 4,446,002	$ 2,516,500	$ 1,732,200	$ 5,788,214	$ 1,513,072	$ 527,081

Source: CAFR Schedule A-1 (2001-2002)
CAFR Schedule B-1 (2003-2010)

WESTFIELD BOARD OF EDUCATION
CHANGES IN FUND BALANACES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Exhibit J-4
GASB B-4

	Fiscal Year Ending June 30,									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Tax levy	$ 49,206,457	$ 52,666,163	$ 57,764,727	$ 61,424,664	$ 64,441,130	$ 67,415,638	$ 70,220,689	$ 73,115,976	$ 77,318,188	$ 80,348,683
Tuition charges	14,322	7,024	23,858	3,022	972	15,946	46,970	65,835	41,593	115,759
Interest earnings	-	-	-		-	-	-	-		
Miscellaneous	1,318,074	789,263	497,726	514,710	2,245,807	975,136	1,145,285	778,224	346,487	363,321
State sources	7,382,449	6,446,597	13,622,255	10,589,318	11,145,003	11,733,847	14,051,672	14,321,950	11,695,883	11,301,842
Federal sources	910,394	1,085,048	1,200,443	1,287,025	1,419,828	1,743,075	1,628,936	1,692,456	1,558,796	1,960,528
Total revenue	58,831,696	62,994,095	73,109,009	73,818,739	79,252,739	81,883,642	87,093,552	89,974,441	90,960,947	94,090,133
Expenditures										
Instruction										
Regular instruction	22,291,178	23,079,560	24,186,457	25,725,503	26,076,495	27,020,199	27,194,253	27,658,651	28,227,790	28,243,334
Special education instruction	3,158,188	3,383,309	3,697,699	3,901,563	4,048,762	4,477,216	4,867,750	5,130,827	5,469,359	6,318,663
Other special instruction	739,387	788,094	782,905	739,990	887,853	964,038	1,064,410	1,036,011	1,021,996	1,095,682
Vocational education	-	-	-	-	-	-	-	-		
Other instruction	933,709	993,158	970,103	918,607	963,949	1,108,599	1,383,903	1,583,581	1,605,820	1,366,711
Nonpublic school programs	-	-	-	-	-	-	-	-		
Adult/continuing education	-	-	-	-	-	-	-	-		
Support Services:										
Tuition	3,973,652	4,350,287	4,307,723	4,593,206	5,241,293	5,021,997	5,415,837	5,634,370	6,072,048	5,746,043
Student & inst. related services	7,357,205	8,109,014	8,696,243	8,764,583	9,218,910	9,742,219	10,076,246	10,614,687	11,161,627	11,366,482
General administration	904,131	869,623	1,027,956	1,230,554	1,265,718	1,213,660	1,734,286	1,267,341	1,301,004	1,677,350
School administrative services	2,655,621	2,553,001	2,699,416	2,754,975	2,750,019	2,825,371	2,778,235	3,057,529	3,123,940	3,286,095
Central services	-	-	-	-	1,060,738	995,079	1,062,189	1,031,740	1,038,582	1,082,127
Admin. information technology	-	-	-	-	1,209,907	1,327,889	1,349,481	1,228,255	1,165,669	1,029,346
Plant operations and maintenance	4,418,993	4,455,774	5,023,393	5,456,089	5,185,626	5,744,547	5,658,581	5,790,086	6,051,861	5,575,561
Pupil transportation	1,775,869	1,942,453	1,949,074	1,924,882	2,195,200	2,326,760	2,706,037	2,569,663	2,803,755	2,372,524
Other Support Services	928,108	1,025,501	1,181,697	1,127,310	130,270	800	-	-		
Employee benefits	9,587,499	8,467,830	11,386,230	13,528,031	15,024,360	15,642,988	19,848,340	21,538,306	19,493,166	21,070,275
Food Sevice	-	-	-	-	-	-	-	-		
Special Schools	29,084	16,096	-	-	-	-	-	-		
Charter Schools	-	-	-	-	-	-	-	-		
Capital outlay	5,574,902	4,839,571	9,193,652	5,324,727	1,912,367	2,804,567	1,223,444	5,385,498	4,509,549	1,199,271
Debt service:										
Principal	585,000	619,000	1,120,000	1,145,000	1,175,000	1,320,000	1,355,000	1,485,000	1,485,000	1,890,000
Interest and other charges	580,260	839,413	1,185,479	1,136,479	1,086,386	1,079,488	968,890	914,179	1,415,048	1,087,267
Total expenditures	65,492,988	66,331,683	77,410,027	78,271,498	79,412,854	83,615,418	88,686,882	96,125,724	95,946,215	94,406,731
Excess (Deficiency) of revenues over (under) expenditures	(6,661,292)	(3,337,587)	(4,301,018)	(4,452,759)	(160,114)	(1,731,776)	(1,593,330)	(6,151,283)	(4,985,267)	(316,598)
Other Financing sources (uses)										
Proceeds from borrowing	-	14,923,000	-	-	-	-	-	9,396,000		
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-		
Proceeds from refunding	-	-	-	-	-	-	-	-	3,247,187	
Payments to escrow agent	-	-	-	-	-	-	-	-	(3,247,187)	
Transfers in	-	-	338,328	494,843	105,529	200,000	31,220	508,041	22,600	
Transfers out	(10,309)	(10,344)	(352,631)	(508,506)	(123,414)	(203,511)	(43,978)	(525,626)	(30,328)	
Total other financing sources (uses)	(10,309)	14,912,656	(14,302)	(13,663)	(17,885)	(3,511)	(12,758)	9,378,415	(7,728)	-
Special Item										
Cancellation of Accrued Liability	-	-	118,344			-	(31,220)	-		
Total special item	-	-	118,344	-	-	-	(31,220)	-	-	-
Net change in fund balances	$ (6,671,601)	$ 11,575,068	$ (4,196,977)	$ (4,466,423)	$ (177,999)	$ (1,735,287)	$ (1,637,308)	$ 3,227,132	$ (4,992,995)	$ (316,598)
Debt service as a percentage of noncapital expenditures	1.94%	2.37%	3.38%	3.13%	2.92%	2.97%	2.66%	2.64%	3.17%	3.19%

Source: District records

Note. Noncapital expenditures are total expenditures less capital outlay.
Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

WESTFIELD BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Sale of Capital Assets	Donations	Rentals	Prior Year Refunds	Sale and Leaseback of Textbooks	Miscellaneous	Annual Totals
2001	-	-	$ 122,200	-	-	$ 887,113	$ 1,009,313
2002	-	-	$ 127,088	-	-	$ 238,607	$ 365,695
2003	-	-	$ 135,000	-	-	$ 138,054	$ 273,054
2004	-	-	$ 144,800	-	-	$ 183,204	$ 328,004
2005	-	-	$ 189,000	-	-	$ 489,331	$ 678,331
2006	-	-	$ 197,506	-	-	$ 522,027	$ 719,533
2007	-	-	$ 194,760	-	-	$ 678,640	$ 873,400
2008	-	-	$ -	-	-	$ 444,466	$ 444,466
2009	-	-	$ -	-	-	$ 203,760	$ 203,760
2010	-	-	$ -	-	-	$ 268,569	$ 268,569

Source: District records

WESTFIELD BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Exhibit J-6
GASB C-11

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-Exempt Property	Public Utilities [a]	Net Valuation Taxable	Total Direct School Tax Rate [b]	Estimated Actual (County Equalized Value) [c]
2001	6,754,300	1,600,852,200	0	4,200	180,083,000	1,988,100	22,763,300	1,812,445,100	0	3,648,200	1,816,093,300	2.900	3,785,005,488
2002	6,588,300	1,607,918,200	0	4,200	179,096,500	1,988,100	22,763,300	1,818,358,600	0	3,381,544	1,821,740,144	3.171	4,234,019,383
2003	6,217,500	1,615,283,000	0	4,200	178,707,300	1,988,100	22,763,300	1,824,963,400	0	3,151,610	1,828,115,010	3.360	4,715,228,982
2004	6,603,100	1,620,769,600	0	4,200	180,796,500	1,988,100	22,763,300	1,832,924,800	0	2,617,735	1,835,542,535	3.511	5,319,738,148
2005	8,171,300	1,631,230,100	0	4,200	179,952,300	1,988,100	22,453,300	1,843,799,300	0	2,285,779	1,846,085,079	3.652	6,004,260,758
2006	11,748,100	1,636,037,000	0	4,200	178,200,400	1,988,100	21,679,100	1,849,656,900	0	2,015,192	1,851,672,092	3.792	6,600,938,501
2007	13,582,300	1,649,131,600	0	4,200	176,017,200	1,988,100	21,679,100	1,862,402,500	0	1,736,953	1,864,139,453	3.922	7,084,129,209
2008	11,548,700	1,670,669,600	0	4,200	176,297,300	1,988,100	21,679,100	1,882,187,000	0	2,575,778	1,884,762,778	4.103	7,533,990,696
2009	12,364,500	1,684,714,100	0	4,200	175,356,700	1,988,100	21,339,100	1,895,766,700	0	2,710,382	1,898,477,082	4.233	7,716,156,926
2010	8,838,700	1,697,417,200	0	4,200	174,633,900	1,988,100	21,339,100	1,904,221,200	0	1,927,282	1,906,148,482	4.403	7,619,290,133

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100

c Town of Westfield Annual Debt Statement

WESTFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Exhibit J-7
GASB C-2

(rate per $100 of assessed value)

Fiscal Year Ended June 30	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Town of Westfield	Union County	Total Tax Rate
2001**	2.841	0.059	2.900	0.706	0.901	4.507
2002**	3.074	0.097	3.171	0.751	1.004	4.926
2003**	3.262	0.098	3.360	0.790	1.106	5.256
2004**	3.405	0.106	3.511	0.899	1.170	5.580
2005**	3.539	0.113	3.652	0.953	1.235	5.840
2006**	3.685	0.108	3.792	1.027	1.263	6.082
2007**	3.814	0.108	3.922	1.083	1.323	6.328
2008**	3.985	0.118	4.103	1.172	1.394	6.669
2009**	4.119	0.114	4.233	1.234	1.447	6.914
2010**	4.269	0.134	4.403	1.329	1.540	7.272

**Excludes Special Improvement District Taxes which are levied against properties situated within this district.

Union County - Includes County Open Space Recreation & Historic Preservation for years 2001 and subsequent.

Source: District Records and Municipal Tax Collector

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

WESTFIELD BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS

Exhibit J-8
GASB C-3

	YEAR ENDED DEC. 31, 2009			YEAR ENDED DEC. 31, 2000		
Taxpayer	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
WYCHWOOD GARDENS	$ 8,235,000	1	0.43%	$ 8,235,000	1	0.46%
ECHO LAKE COUNTRY CLUB	$ 6,592,300	2	0.35%	$ 6,592,300	3	0.36%
ADCOR REALTY GROUP	$ 6,566,100	3	0.35%			
EAST COAST DUNCAN HILL, LLC	$ 5,100,000	4	0.27%			
WESTFIELD MERIDIAN LP	$ 4,409,600	5	0.25%	$ 5,255,600	5	0.29%
WEILL, MAURICE	$ 4,200,000	6	0.22%	$ 4,300,000	6	0.24%
SUNRISE ASSISTED LIVING	$ 4,176,700	7	0.22%	$ 4,176,700	8	0.23%
ERNSTOFF, ROBERT	$ 3,500,000	8	0.18%	$ 3,982,000	10	0.22%
CARDINAL DRIVE PARTNERS	$ 3,041,300	9	0.16%	$ 4,060,000	9	0.23%
BELL ATLANTIC	$ 1,927,282	10	0.14%	$ 4,221,120	7	0.23%
LORD & TAYLOR				$ 7,805,300	2	0.43%
WESTFIELD ASSOCIATES, LLC				$ 5,562,600	4	0.31%
TOTAL	$ 47,748,282		2.57%	$ 54,190,620		3.00%

SOURCE: DISTRICT CAFR & MUNICIPAL TAX ASSESSOR

WESTFIELD BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS

Exhibit J-9
GASB C-4

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	
2000**	$ 77,527,645	$ 76,706,072	98.94%	-
2001**	$ 82,471,191	$ 81,487,521	98.81%	-
2002**	$ 90,333,829	$ 89,381,227	98.95%	-
2003**	$ 96,858,843	$ 95,810,764	98.92%	-
2004**	$ 103,365,699	$ 102,475,045	99.14%	-
2005**	$ 108,764,929	$ 107,826,766	99.14%	-
2006**	$ 114,061,861	$ 112,786,758	98.88%	-
2007**	$ 119,456,100	$ 118,144,562	98.90%	-
2008**	$ 126,926,806	$ 125,314,414	98.73%	-
2009**	$ 132,675,758	$ 130,576,319	98.42%	

Source: Tax Collector, Town of Westfield

** Levy and Collections include taxes of a Special Improvement District whose boundaries do not include the entirety of the Town of Westfield.

WESTFIELD BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Exhibit J-10
GASB D-1

	Governmental Activities				Business-Type Activities			
Fiscal Year Ended June 30,	General Obligation Bonds [b]	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2001	$ 33,584,000	$ -	$ -	$ -	$ -	$ 33,584,000	2.831%	$ 1,128
2002	$ 26,393,000	$ -	$ -	$ -	$ -	$ 26,393,000	2.201%	$ 884
2003	$ 25,273,000	$ -	$ 63,215	$ -	$ -	$ 25,336,215	2.079%	$ 849
2004	$ 24,128,000	$ -	$ 42,143	$ -	$ -	$ 24,170,143	1.918%	$ 812
2005	$ 24,334,000	$ -	$ 21,072	$ -	$ -	$ 24,355,072	1.869%	$ 823
2006	$ 23,014,000	$ -	$ -	$ -	$ -	$ 23,014,000	1.625%	$ 778
2007	$ 21,986,000	$ -	$ 303,174	$ -	$ -	$ 22,289,174	1.485%	$ 754
2008	$ 29,897,000	$ -	$ 269,004	$ -	$ -	$ 30,166,004	N/A	$ 1,024
2009	$ 28,427,000	$ -	$ -	$ -	$ -	$ 28,427,000	N/A	N/A
2010	$ 26,537,000	$ -	$ -	$ -	$ -	$ 26,537,000	N/A	N/A

Source: District CAFR Schedules I-1

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

WESTFIELD BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Exhibit J-11
GASB D-2

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]
2001	33,584,000	-	33,584,000	1.85%	$ 1,128
2002	26,393,000	-	26,393,000	1.45%	$ 884
2003	25,273,000	-	25,273,000	1.38%	$ 847
2004	24,128,000	-	24,128,000	1.31%	$ 811
2005	24,334,000	-	24,334,000	1.32%	$ 823
2006	23,014,000	-	23,014,000	1.24%	$ 778
2007	21,986,000	-	21,986,000	1.18%	$ 744
2008	29,897,000	-	29,897,000	1.59%	$ 1,015
2009	28,427,000	-	28,427,000	1.50%	$ 959
2010	26,537,000	-	26,537,000	1.40%	N/A

Source: Town of Westfield Tax Assessor
District Records

a See Exhibit J-6 for property tax data
b See Exhibit J-14 for Population Data

WESTFIELD BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2010

Exhibit J-12
GASB D-3

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Town of Westfield	$18,582,221	100.00%	$18,582,221
Other Debt			
County of Union - Town's Share	524,305,474	9.882%	51,811,867
Rahway Valley Sewarge Authority - Town's Share	211,260,059	14.160%	29,914,424
Subtotal Overlapping Debt			100,308,512
Net Direct Debt of School District			27,087,000
Total Direct and Overlapping Debt			$127,395,512

Sources: Town of Westfield Chief Financial Officer
Union County Treasurer's Office
Rahway Valley Sewarge Authority

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

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

WESTFIELD BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Exhibit J-13
GASB D-4

Legal Debt Margin Calculation for Fiscal Year 2009		Equalized Valuation Basis
	2007	7,533,990,696
	2008	7,713,881,148
	2009	7,616,579,751
	[A]	$ 22,864,451,595
Avg Equalized Valuation of Taxable Property	[A/3]	$ 7,621,483,865
School Borrowing Margin (4%)	[B]	304,859,355
Net Bonded School Debt	[C]	27,087,000
Legal Debt Margin	[B-C]	$ 277,772,355

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	$ 134,670,433	$ 147,298,927	$ 162,495,978	$ 181,135,665	$ 202,137,107	$ 225,513,674	$ 251,633,368	$ 277,143,315	$ 298,828,654	$ 304,859,355
Total Net Debt Applicable to Limit	33,584,000	26,395,000	25,273,000	24,128,000	24,334,000	23,014,000	21,986,000	29,897,000	28,427,000	27,087,000
Legal Debt Margin	$ 101,086,433	$ 120,903,927	$ 137,222,978	$ 157,007,665	$ 177,803,107	$ 202,499,674	$ 229,647,368	$ 247,246,315	$ 268,401,654	$ 277,772,355
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	24.94%	17.92%	15.55%	13.32%	12.04%	10.21%	8.74%	10.79%	9.56%	8.89%

Source: Town of Westfield Annual Debt Statement - Town of Westfield Finance Director

WESTFIELD BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Exhibit J-14
GASB E-1

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2000	29,670	$ 1,176,563,850	39,655	1.90%
2001	29,779	1,186,127,349	39,831	2.20%
2002	29,853	1,199,403,981	40,177	3.20%
2003	29,834	1,218,778,568	40,852	3.10%
2004	29,753	1,260,485,845	42,365	2.50%
2005	29,581	1,303,398,022	44,062	2.50%
2006	29,589	1,415,863,239	47,851	2.70%
2007	29,556	1,501,356,132	50,797	2.40%
2008	29,450	N/A	51,815	3.20%
2009	29,644	N/A	N/A	5.70%

Source:

[a] Population information provided by US Bureau of Census, Population Division - Estimates

[b] Personal income has been estimated based upon the municipal population and the personal income presented

[c] Per Capita Data represents County of Union available through 2007

[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development

WESTFIELD BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO

Exhibit J-15
GASB E-2

	2010			2001		
Employer	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
WESTFIELD BOARD OF EDUCATION	775 to 800	1	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
ELIZABETHTOWN WATER COMPANY	UNAVAILABLE	2	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
LORD & TAYLOR	UNAVAILABLE	3	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
UNION CTY EDUC SVCS COMM	UNAVAILABLE	4	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
GENESIS ELDER CARE NETWORK	UNAVAILABLE	5	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
PATIENT CARE INC.	UNAVAILABLE	6	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
TOWN OF WESTFIELD	UNAVAILABLE	7	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
STOP & SHOP	UNAVAILABLE	8	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
US POSTAL SERVICE	UNAVAILABLE	9	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
VISITING HEALTH CARE SVCS UNION CTY	UNAVAILABLE	10	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	-		0.00%	-		0.00%

WESTFIELD BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Exhibit J-16
GASB F-1

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Instruction										
Teachers	413	419	425	434	445	454	462	462	452	445
Classroom Aides	33	34	34	34	17	27	23	27	31	31
Vocational	-	-	-	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic School Programs	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	116	121	124	127	151	153	152	160	163	161
General Administrative Services	3	3	3	3	3	3	3	3	3	3
School Administrative Services	42	42	43	43	42	42	42	41	41	41
Business Adminsitrative Services	16	16	16	16	15	14	14	14	14	14
Admin Info Technology Services	4	5	8	9	9	9	9	9	6	6
Plant Operations and Maintenance	56	56	56	56	57	57	57	57	56	55
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Total	683	696	709	722	739	759	762	773	766	756

Source: District Personnel Records
Annual Budget Supporting Documentation

WESTFIELD BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Exhibit J-17
GASB F-6

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Intermediate School	High School				
2000-01	5,349	58,922,623	11,016	6.48%	413	16:1	11:1	11:1	5,337	5,104	1.6%	95.6%
2001-02	5,477	60,138,818	10,980	-0.32%	419	16:1	12:1	11:1	5,498	5,261	3.0%	95.7%
2002-03	5,656	65,934,750	11,657	6.17%	425	17:1	12:1	10:1	5,661	5,414	3.0%	95.6%
2003-04	5,814	70,665,292	12,154	4.26%	434	17:1	12:1	11:1	5,812	5,568	2.7%	95.8%
2004-05	5,883	75,286,760	12,798	5.29%	445	12:1	11:1	11:1	5,885	5,617	1.3%	95.4%
2005-06	6,023	78,719,010	13,070	2.13%	454	12:1	11:1	11:1	6,030	5,757	2.5%	95.5%
2006-07	6,060	85,139,548	14,049	7.50%	462	12:1	11:1	11:1	6,061	5,783	0.5%	95.4%
2007-08	6,157	88,341,047	14,348	2.13%	462	12:1	11:1	11:1	6,152	5,922	1.5%	96.3%
2008-09	6,212	88,536,618	14,253	-0.67%	452	12:1	11:1	11:1	6,219	5,964	1.1%	95.9%
2009-10	6,267	90,230,194	14,398	1.02%	445	12:1	11:1	11:1	6,255	6,020	0.6%	96.2%

Sources: District Records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay
b Teaching staff includes only full-time equivalents of certificated staff obtained from Budget Supporting Documentation
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

WESTFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Exhibit J-16
GASB F-4

BUILDING	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
ELEMENTARY										
FRANKLIN [1929] [1956] [2000]										
SQUARE FEET	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814
CAPACITY - STATE MODEL - STUDENTS	550	550	550	550	550	550	550	550	550	550
ENROLLMENT	573	566	574	586	585	591	600	634	608	629
JEFFERSON [1953] [1955] [1996]										
SQUARE FEET	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849
CAPACITY - STATE MODEL - STUDENTS	431	431	431	431	431	431	431	431	431	431
ENROLLMENT	497	493	491	503	470	491	470	452	421	444
MCKINLEY [1906] [1931] [2000]										
SQUARE FEET	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140
CAPACITY - STATE MODEL - STUDENTS	337	337	337	337	337	337	337	337	337	337
ENROLLMENT	282	280	304	311	316	334	387	367	331	348
TAMAQUES [1951]										
SQUARE FEET	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350
CAPACITY - STATE MODEL - STUDENTS	430	430	430	430	430	430	430	430	430	430
ENROLLMENT	451	470	464	479	471	468	465	486	435	426
WASHINGTON [1954] [1992]										
SQUARE FEET	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700
CAPACITY - STATE MODEL - STUDENTS	332	332	332	332	332	332	332	332	332	332
ENROLLMENT	351	348	344	334	326	347	337	366	330	329
WILSON [1935] [1963] [1996] [2000]										
SQUARE FEET	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595
CAPACITY - STATE MODEL - STUDENTS	449	449	449	449	449	449	449	449	449	449
ENROLLMENT	491	504	530	531	558	582	559	548	478	468
LINCOLN SCHOOL [1922] [2008]										
SQUARE FEET	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980
CAPACITY - STATE MODEL - STUDENTS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	465	465
ENROLLMENT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	323	285
INTERMEDIATE										
EDISON [1958] [1964]										
SQUARE FEET	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998
CAPACITY - STATE MODEL - STUDENTS	768	768	768	768	768	768	768	768	768	768
ENROLLMENT	645	700	726	709	735	719	748	777	724	759
ROOSEVELT [1926] [1964]										
SQUARE FEET	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890
CAPACITY - STATE MODEL - STUDENTS	683	683	683	683	683	683	683	683	683	683
ENROLLMENT	687	706	731	737	719	721	712	756	774	780
HIGH SCHOOL										
WESTFIELD HIGH SCHOOL [1950] [1906] [2002]										
SQUARE FEET	247,320	247,320	247,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320
CAPACITY - STATE MODEL - STUDENTS	1,428	1,428	1,428	1,713	1,713	1,713	1,713	1,713	1,713	1,713
ENROLLMENT	1,372	1,410	1,492	1,624	1,703	1,770	1,782	1,780	1,788	1,799
OTHER										
ADMINISTRATION [1914]										
SQUARE FEET	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410

SOURCE: DISTRICT RECORDS
NOTE: YEAR OF ORIGINAL CONSTRUCTION IS SHOWN IN PARENTHESES FOLLOWING THE NAME OF THE BUILDING. DATES, IF ANY FOR A SUBSEQUENT ADDITION ALSO FOLLOWS IN PARENTHESES.
NOTE; LINCOLN SCHOOL RENOVATED TO EARLY CHILDHOOD CENTER. ALL KINDERGARTEN STUDENTS RELOCATED FROM ELEMENTARY SCHOOLS TO LINCOLN FOR SEPTEMBER 2008.
NOTE: PRE-SCHOOL DISABLED STUDENTS RELOCATED FROM EDISON SCHOOL TO LINCOLN SCHOOL FOR SEPTEMBER 2008.

WESTFIELD BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-19

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

School Facilities	Project # (s)	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
FRANKLIN ELEMENTARY SCHOOL	N/A	$ 86,730	$ 112,585	$ 69,067	$ 86,791	$ 80,920	$ 65,789	$ 67,335	$ 66,005	$ 68,124	$ 54,769
JEFFERSON ELEMENTARY SCHOOL	N/A	61,984	81,243	61,250	65,177	69,988	53,995	70,395	66,894	50,263	40,409
LINCOLN ELEMENTARY SCHOOL	N/A	30,782	34,711	-	26,582	35,710	24,200	27,568	20,902	27,639	22,130
MCKINLEY ELEMENTARY SCHOOL	N/A	78,026	98,216	66,772	83,162	73,710	58,944	57,153	56,571	54,772	44,034
TAMAQUES ELEMENTARY SCHOOL	N/A	61,099	64,206	46,628	54,873	67,348	64,985	72,149	49,475	49,531	39,820
WASHINGTON ELEMENTARY SCHOOL	N/A	47,234	59,841	39,050	48,077	47,002	42,065	49,943	38,438	35,850	28,821
WILSON ELEMENTARY SCHOOL	N/A	67,173	89,165	53,397	74,356	53,952	53,790	56,436	42,948	59,176	47,575
EDISON INTERMEDIATE SCHOOL	N/A	148,111	197,184	185,834	197,060	142,979	162,776	128,688	116,093	137,019	110,157
ROOSEVELT INTERMEDIATE SCHOOL	N/A	158,919	175,527	171,297	177,539	121,758	119,790	125,084	111,173	115,647	92,975
WESTFIELD HIGH SCHOOL	N/A	363,350	473,885	371,331	396,744	361,432	334,518	323,112	282,565	253,247	203,690
GRAND TOTAL		$ 1,103,408	$ 1,386,563	$ 1,064,626	$ 1,210,361	$ 1,054,799	$ 980,852	$ 977,863	$ 851,064	$ 851,268	$ 684,380

SOURCE: DISTRICT RECORDS

WESTFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
UNAUDITED

Exhibit J-20

DESCRIPTION	COVERAGE	DEDUCTIBLE
School Property Policy - NJSBA Insurance Group		
Property		
Building & Contents	157,012,582.00	5,000.00
Extra Expense - Per Loss	1,000,000.00	5,000.00
Electronic Data Processing - NJSBA Insurance Group		
Hardware	830,730.00	1,000.00
Software	200,365.00	1,000.00
Extra Expense	50,000.00	1,000.00
Liability - NJSBA Insurance Group		
Bodily Injury & Property Damage		
Combined Single Limits		
Each Occurrence	6,000,000.00	
Fire Damage - Per Loss	1,000,000.00	
Employee Benefits Liability		
Each Occurrence	1,000,000.00	
Aggregate	3,000,000.00	
Medical Expense - Per Person	10,000.00	
Crime		
Employee Dishonesty	1,000,000.00	1,000.00
Depositers Forgery	1,000,000.00	1,000.00
Money & Securities	50,000.00	500.00
Automobile Policy - NJSBA Insurance Group		
Bodily Injury & Property Damage		
Combined Single Limits	6,000,000.00	
Uninsured Motorists	1,000,000.00	
Medical Payments	1,000.00	
P.I.P.	Statutory	250.00
Collision / Comprehensive Deductible		1,000.00/1,000.00
Boiler & Machinery Policy - Insurance Group		
Limit per Accident	157,012,582.00	5,000.00
Extra Expense	1,000,000.00	5,000.00
Workers Compensation - NJSBA Insurance Group		
Employer's Liability	Statutory	
Bodily Injury	2,000,000.00	
Supplementary Workers Comp. - Chubb Insurance Group		
51 Week Max./Week	1,750.00	7 days
Environmental - Chubb Insurance Group	1,000,000.00/ 3,000,000.00	10,000.00
Umbrella Liability Policy - NJSBA Insurance Group	5,000,000.00	
Excess Libility "Cap" Program - Fireman's Fund	50,000,000.00	
Board of Education Libility - NJSBA Insurance Group	6,000,000.00	15,000.00
Student Accident Policy - Bollinger	5,000,000.00	
Pulic Official Bonds - Selective Insurance		
Treasurer	375,000.00	
School Business Administrator	100,000.00	

Source: District Records

Single Audit Section

SECTION - K

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
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MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF NJ.

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

Honorable President and Members
of the Board of Education
Town of Westfield School District
County of Union, New Jersey

We have audited the financial statements of the Town of Westfield School District, in the County of Union, State of New Jersey, as of and for the year ended June 30, 2010, and have issued our report thereon dated November 11, 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 Town of Westfield School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Westfield School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Westfield School District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was no 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 Town of Westfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

We noted other matters that we have reported to management of the Town of Westfield Board of Education in a separate *Auditors' Management Report on Administrative Findings* dated November 11, 2010.

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

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
November 11, 2010

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO 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 Education
Town of Westfield School District
County of Union, New Jersey

Compliance

We have audited the compliance of the Town of Westfield School District, in the County of Union, State of New Jersey, with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" and the New Jersey Compliance Manual "State Grant Compliance Supplement" that are applicable to each of its major federal and state programs for the year ended June 30, 2010. The Town of Westfield School District's major federal and state programs are identified in the "Summary of Auditor's Results Section" of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Town of Westfield School District's management. Our responsibility is to express an opinion on the Town of Westfield School District's compliance based on our audit.

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

In our opinion, the Town of Westfield School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2010.

Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement if 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 Education, management, the New Jersey Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
November 11, 2010

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

State Grantor/Program Title	Grant or State Project Number	Grant Period From	Grant Period To	Program/ Award Amount	June 30, 2009 Budgetary Deferred Revenue/ (Accounts Receivable)	June 30, 2009 Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Prior Year Encumbrances Canceled	Repayment of Balances	June 30, 2010 GAAP (Accounts Receivable)	June 30, 2010 Due to Grantor	MEMO Budgetary (Accounts Receivable)	MEMO Cumulative Total Expenditures
State Department of Education:															
Debt Service Fund:															
Debt Service Aid - State Support	10-495-034-5120-017	7/1/09	6/30/10	$ 503,884				$ 503,884 00	$ (503,884 00)						$ 503,884 00
Total Debt Service Fund								503,884 00	(503,884 00)						503,884 00
TOTAL STATE AWARDS					$ (1,653,942 13)	$ 36,861 06	$ -0-	$ 12,145,291 73	$ (12,377,374 91)	$ 2,344 19	$ (41,983 61)	$ (1,054,278 76)	$ 34,060 09	$ 1,313,664 00	$ 13,230,236 96

* - Per Department of Education guidelines, on-behalf pension contributions should be excluded from the Type A programs threshold calculation.

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

State Grantor/Program Title	Grant or State Project Number	Grant Period From	Grant Period To	Program/ Award Amount	June 30, 2009 Budgetary Deferred Revenue/ (Accounts Receivable)	June 30, 2009 Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Prior Year Encumbrances Canceled	Repayment of Balances	June 30, 2010 GAAP (Accounts Receivable)	June 30, 2010 Due to Grantor	MEMO Budgetary (Accounts Receivable)	MEMO Cumulative Total Expenditures
State Department of Education:															
General Fund:															
Transportation Aid	10-495-034-5120-014	7/1/09	6/30/10	$ 542,438				$ 542,438.00	$ (542,438 00)					51,691.90	542,438.00
Transportation Aid	09-495-034-5120-014	7/1/08	6/30/09	433,682											
Special Education Categorical Aid	10-495-034-5120-089	7/1/09	6/30/10	3,556,600				3,556,600 00	(3,556,600 00)					338,928 00	3,556,600.00
Special Education Categorical Aid	09-495-034-5120-089	7/1/08	6/30/09	3,409,824											
Security Aid	10-495-034-5120-084	7/1/09	6/30/10	466,172				466,172 00	(466,172.00)					44,424 10	466,172 00
Security Aid	09-495-034-5120-084	7/1/08	6/30/09	188,429											
Adjustment Aid	10-495-034-5120-085	7/1/09	6/30/10	105,304				105,304 00	(105,304 00)					10,035.00	105,304 00
Extraordinary Special Education Aid	10-100-034-5120-473	7/1/09	6/30/10	868,585					(868,585 00)					868,585.00	868,585 00
Extraordinary Special Education Aid	09-100-034-5120-473	7/1/08	6/30/09	1,203,038	(825,076.00)			825,076 00							
On-Behalf TPAF Contributions:															
* Post Retirement Medical	10-495-034-5095-001	7/1/09	6/30/10	2,620,403				2,620,403 00	(2,620,403 00)						2,620,403 00
* Non-Contributory Insurance	10-495-034-5095-007	7/1/09	6/30/10	139,521				139,521.00	(139,521 00)						139,521 00
TPAF Social Security Aid	10-495-034-5095-002	7/1/09	6/30/10					3,129,952 83	(3,129,952 83)						3,129,952 83
Total General Fund State Aid					(825,076.00)			11,385,466 83	(11,428,975 83)			-		1,313,664.00	11,428,975 83
Special Revenue Fund:															
NJ Nonpublic Aid:															
Textbook Aid (Chapter 194)	10-100-034-5120-064	7/1/09	6/30/10	37,563				37,563 00	(35,789.25)				$ 1,773 75		35,789.25
Textbook Aid (Chapter 194)	09-100-034-5120-064	7/1/08	6/30/09	34,315		$ 2,545 06				$ 2,192.49	$ (4,561.91)		175 64		
Nursing Services (Chapter 226)	10-100-034-5120-070	7/1/09	6/30/10	66,092				44,544 00	(44,544 00)						66,092.00
Auxiliary Services (Chapter 192):															
Compensatory Education	10-100-034-5120-067	7/1/09	6/30/10	35,894				35,894 00	(35,894 00)						35,894.00
Compensatory Education	09-100-034-5120-067	7/1/08	6/30/09	41,804		10,949 00					(10,949.00)				
English as a Second Language	10-100-034-5120-067	7/1/09	6/30/10	4,893				4,893 00	(979.00)				3,914 00		979.00
English as a Second Language	09-100-034-5120-067	7/1/08	6/30/09	2,030		1,015 00					(1,015.00)				
Transportation	10-100-034-5120-067	7/1/09	6/30/10	12,783				12,783 00	(12,783 00)						12,783 00
Home Instruction	10-100-034-5120-067	7/1/09	6/30/10	357				357 00	(357.00)			-			
Handicapped Services (Chapter 193):															
Examination & Classification	10-100-034-5120-066	7/1/09	6/30/10	49,337				49,337 00	(29,058.00)				20,279 00		29,058 00
Examination & Classification	09-100-034-5120-066	7/1/08	6/30/09	51,170		7,011 00					(7,011.00)				
Supplementary Instruction	10-100-034-5120-066	7/1/09	6/30/10	13,539				13,539.00	(12,743 00)				796 00		12,743 00
Supplementary Instruction	09-100-034-5120-066	7/1/08	6/30/09	19,824		4,130 00					(4,130 00)				
Corrective Speech	10-100-034-5120-066	7/1/09	6/30/10	52,637				52,637.00	(45,667.00)				6,970 00		45,667 00
Corrective Speech	09-100-034-5120-066	7/1/08	6/30/09	64,170		10,340 00					(10,340 00)				
Technology Initiative	09-100-034-5120-373	7/1/08	6/30/09	24,000	3,105.70					151.70	(3,105 70)	(0 00)	151.70		
Character Education	05-495-034-5120-053	7/1/04	6/30/05	15,671		871 00					(871 00)				
Total Special Revenue Fund					3,105.70	36,861.06		251,547.00	(217,814.25)	2,344.19	(41,983.61)	(0.00)	34,060.09		239,005.25
Enterprise Fund:															
State School Lunch Program	10-100-010-3350-023	7/1/09	6/30/10	$ 4,483				$ 4,093 12	$ (4,482.70)			(389.58)			4,482 70
State School Lunch Program	09-100-010-3350-023	7/1/08	6/30/09	4,172	(300 78)			300 78							
Total Enterprise Fund					(300 78)			4,393.90	(4,482 70)			(389 58)			4,482 70
Schools Development Authority:															
Capital Projects Fund:															
Educational Facilities Construction and Financing	SP201327	Indefinite		6,571,130	(831,671 05)				(222,218 13)			(1,053,889 18)			1,053,889 18
Total Capital Projects Fund					(831,671.05)				(222,218 13)			(1,053,889 18)			1,053,889.18

WESTFIELD SCHOOL DISTRICT
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 or State Project Number	Grant Period From	Grant Period To	Program or Award Amount	Balance at June 30, 2009 Deferred Revenue/ (Accounts Receivable)	Balance at June 30, 2009 Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Prior Year Encumbrances Canceled	Prior Year Audit Adjustment	Repayment of Balances	Balance at June 30, 2010 (Accounts Receivable)	Balance at June 30, 2010 Deferred Revenue	Balance at June 30, 2010 Due to Grantor
U.S. Department of Agriculture:																
Passed through State Department of Education:																
Child Nutrition Cluster:																
Federal Food Distribution Program	10.555	N/A	7/1/09	6/30/10	$ 29,846				$ 29,845.61	$ (29,845.61)						
National School Lunch Program	10.555	N/A	7/1/09	6/30/10	51,487				47,014.02	(51,486.88)				$ (4,472.86)		
National School Lunch Program	10.555	N/A	7/1/08	6/30/09	43,521	$ (3,240.69)			3,240.69							
Subtotal Child Nutrition Cluster						(3,240.69)			80,100.32	(81,332.49)				(4,472.86)		
Total U.S. Department of Agriculture						(3,240.69)			80,100.32	(81,332.49)				(4,472.86)		
U.S. Department of Education:																
Passed through State Department of Education:																
Special Revenue Fund:																
Special Education Cluster:																
I.D.E.A. - Part B, Basic Regular - ARRA	84.391	ARRA-5730-10	9/1/09	8/31/10	1,390,089				152,148.00	(445,965.46)				(293,817.46)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-10	9/1/09	8/31/10	1,595,842				701,887.00	(1,094,591.16)				(392,704.16)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-09	9/1/08	8/31/09	1,184,108	(255,819.39)		$ 53,232.20	392,759.00	(213,748.81)				(23,577.00)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-08	9/1/07	8/31/08	1,366,396	53,232.20		(53,232.20)								
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-07	9/1/06	8/31/07	1,180,622	328.70				(299.75)		$ (28.95)				
I.D.E.A. - Part B, Preschool - ARRA	84.392	ARRA-5730-10	9/1/09	8/31/10	50,311				29,901.00	(34,370.08)				(4,469.08)		
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-10	9/1/09	8/31/10	74,873				2,839.00	(10,407.65)		(5,108.51)		(12,677.16)		
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-09	9/1/08	8/31/09	55,770	(23,826.73)		14,509.22	11,975.00	(9,869.00)		5,108.51		(17,153.00)		$ 15,050.00
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-08	9/1/07	8/31/08	53,229	14,509.22	$ 11,254.00	(14,509.22)					$ (11,254.00)			
Total Special Education Cluster						(211,576.00)	11,254.00		1,291,509.00	(1,809,251.91)		(28.95)	(11,254.00)	(744,397.86)		15,050.00
No Child Left Behind:																
Title I, Part A	84.010A	NCLB-5730-10	9/1/09	8/31/10	195,646			2,519.00	104,937.00	(165,614.95)				(58,158.95)		
Title I, Part A	84.010A	NCLB-5730-09	9/1/08	8/31/09	203,635	(37,745.29)		(2,519.00)	40,264.29							
Title I, Part A	84.010A	NCLB-5730-08	9/1/07	8/31/08	192,735	8,847.80				(465.00)	$ 50.00	(8,432.80)				
Title II, Part A	84.367A	NCLB-5730-10	9/1/09	8/31/10	137,303			12,528.00	64,395.00	(102,428.79)				(25,505.79)		
Title II, Part A	84.367A	NCLB-5730-09	9/1/08	8/31/09	91,636	(3,967.97)		(12,528.00)	16,801.64	(305.67)						
Title II, Part D	84.318X	NCLB-5730-10	9/1/09	8/31/10	2,058			65.00		(603.01)				(538.01)		
Title II, Part D	84.318X	NCLB-5730-09	9/1/08	8/31/09	1,665	(1,499.00)		(65.00)	1,586.68	(22.68)						
Title III	84.365A	NCLB-5730-10	9/1/09	8/31/10	327			1.00							$ 1.00	
Title III	84.365A	NCLB-5730-09	9/1/08	8/31/09	11,174	(1,043.38)		(1.00)	1,044.38							
Title III - Immigrant	84.365A	NCLB-5730-10	9/1/09	8/31/10	16,753					(3,575.06)				(3,575.06)		
Title III - Immigrant	84.365A	NCLB-5730-09	9/1/08	8/31/09	11,723	(5,011.24)			4,742.79	(177.58)	267.03			(179.00)		
Title IV - Drug Free Schools	84.186A	NCLB-5730-10	9/1/09	8/31/10	14,259			1.00	425.00	(924.92)				(498.92)		
Title IV - Drug Free Schools	84.186A	NCLB-5730-09	9/1/08	8/31/09	11,461	(8,702.77)		(1.00)	8,703.77							
Title IV - Drug Free Schools	84.186A	NCLB-5730-08	9/1/07	8/31/08	16,807	581.08						(581.08)				
Title V - Innovative Programs	84.186A	NCLB-5730-09	9/1/08	8/31/09	283	283.00							(283.00)			
Title V - Innovative Programs	84.298A	NCLB-5730-08	9/1/07	8/31/08	7,502	7.06				(7.06)						
Total Special Revenue Fund						(259,826.71)	11,254.00		1,534,409.55	(2,083,376.63)	317.03	(9,042.83)	(11,537.00)	(832,853.59)	1.00	15,050.00
Total U.S. Department of Education						(259,826.71)	11,254.00		1,534,409.55	(2,083,376.63)	317.03	(9,042.83)	(11,537.00)	(832,853.59)	1.00	15,050.00
TOTAL FEDERAL AWARDS						$ (263,067.40)	$ 11,254.00	$ -0-	$ 1,614,509.87	$ (2,164,709.12)	$ 317.03	$ (9,042.83)	$ (11,537.00)	$ (837,326.45)	$ 1.00	$ 15,050.00

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWN OF WESTFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards and financial assistance include federal and state award activity of the Board of Education, Town of Westfield School District. All federal and state awards received directly from federal and state agencies, as well as federal awards and state assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting 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) and 1(D) to the Board's general-purpose financial statements (GASB 34 – Model - basic financial statements). The information in this schedule is presented in accordance with the requirements of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

See Note 1(D) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the special revenue fund. Award and financial assistance revenues are reported in the Board's general-purpose financial statements on a GAAP basis as presented on the following page:

TOWN OF WESTFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010

	Federal	State	Total
General Fund	$	$ 10,374,542.63	$10,374,542.63
Special Revenue Fund	1,960,528.40	194,582.50	2,155,110.90
Capital Projects Fund		228,832.97	228,832.97
Debt Service Fund		503,884.00	503,884.00
Food Service Fund	81,332.49	4,482.70	85,815.19
Total Assistance	$2,041,860.89	$11,306,324.80	$13,348,185.69

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

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NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Pensions Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2010. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2010.

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Section 1 – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

1) Material weakness(es) identified? _____Yes ___X___ No

2) Significant deficiencies identified that are not considered to be material weaknesses? _____Yes ___X___ No

Noncompliance material to general-purpose financial statements noted? _____Yes ___X___ No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? _____Yes _____X___ No

2) Significant deficiencies identified that are not considered to be material weaknesses? _____Yes _____X___None reported

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

Any audit findings disclosed that are required to be reported in accordance with section.510(a) of Circular A-133? _____Yes ____X___No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
	Special Education Cluster (IDEA)
84.027	I.D.E.A. Part B, Regular
84.173	I.D.E.A. Part B, Preschool
84.391	I.D.E.A. Part B, Regular - ARRA
84.392	I.D.E.A. Part B, Preschool - ARRA

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(continued)

Section 1 – Summary of Auditor's Results (cont'd.)

Federal Awards (cont'd.)

Dollar threshold used to distinguish between type A and B programs: $300,000.00

Auditee qualified as low-risk auditee? _____Yes ___X___No

State Awards

Dollar threshold used to distinguish between type A and type B programs: $ 300,000.00

Auditee qualified as low-risk auditee? _____Yes ___X___No

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

Internal Control over major Programs:

1) Material weakness(es) identified? _____Yes _____X____ No

2) Significant deficiencies identified that are not considered to be material weaknesses? _____Yes _____X_____None reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04? _____Yes ___X___No

Identification of major programs:

GMIS Number(s)	Name of State Program
10-495-034-5120-089	Special Education Aid
10-495-034-5095-002	T.P.A.F. Social Security Aid

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(continued)

Section II – Financial Statement Findings

Significant Deficiency(s)

Current Fiscal Year - NONE

Non-Compliance:

Current Fiscal Year – NONE

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

Significant Deficiency(s):

Current Fiscal Year - NONE

Non-Compliance:

Current Fiscal Year – NONE

WESTFIELD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Status of Prior Year Findings

Finding 2008-09 #1

The District's Special Revenue Fund financial records were not maintained in conformity with generally accepted accounting principles (GAAP). Furthermore, as a result of the nonconformity to GAAP, required federal and state financial reports contained uncorrected errors and omissions that misstated the operating results of grant programs.

Current Status

The District's financial records, as presented for audit, were maintained in accordance with GAAP.