SCHOOL DISTRICT
OF
WOODBURY HEIGHTS

Woodbury Heights Board of Education
Woodbury Heights, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010

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Comprehensive Annual

Financial Report

of the

Woodbury Heights Board of Education

Woodbury Heights, New Jersey

For the Fiscal Year Ended June 30, 2010

Prepared by

Woodbury Heights School District
Board of Education
Central Office

Introductory Section

Woodbury Heights Elementary School District

100 Academy Avenue
Woodbury Heights, NJ 08097

Steve Derkoski
Interim Chief School Administrator

Gateway Business Services
Bruce B. Finkle
Board Secretary/School Bus. Admin.

October 26, 2010

Honorable President and
Members of the Board of Education
Woodbury Heights School District
County of Gloucester
Woodbury Heights, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Woodbury Heights School District (District) for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. Reporting Entity and Its Services

Woodbury Heights 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 Woodbury Heights Board of Education and its school constitute the District's reporting entity.

1. Reporting Entity and Its Services (Concluded)

The District provides a full range of educational services appropriate to grade levels K through 6. These include regular, as well as special education for gifted and handicapped youngsters. The District completed the 2009-2010 fiscal year with an enrollment of236 students, which is 5 students more than the previous year's enrollment. The following details the changes in the student enrollment and the growth of the District over the last five years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2009-10	235.2	0.08%
2008-09	235.0	0.68%
2007-08	233.4	(4.34%)
2006-07	244.0	2.09%
2005-06	239.0	(6.97%)

2. Economic Condition and Outlook

The Borough of Woodbury Heights is experiencing a period of minimal development and little expansion. That trend is expected to continue through the short term. The Borough is also experiencing a period of moderate housing sales. The state and national economy are reflected in the employment base of the area. Municipal leaders are working diligently with Gloucester County Office of Economic Development to replace lost businesses and commercial ratables.

3. Major Initiatives

A. Current Year Accomplishments

Two District challenge objectives are in place as follows: (1) speculative writing performance task, and (2) comprehension (analyzing text) performance task. Our intent is to provide continued emphasis on student achievement and implementation of the New Jersey Core Curriculum Content Standards.

The District is committed to continuing to advance its technology plan. The following technologies were upgraded during the 2009-10 school year: (1) the use of a web-based student data system; (2) the purchase of web-based curricular programs for student use; (3) the use of a LCD projector for student instruction and dissemination of information to parents and the public; (4) student use of multi-media programs for instructional purposes; (5) continuing to develop the District's web page; (6) development of teacher web pages; and (7) the purchase and installation of several smartboards for instructional use.

B. Future and Continuing Projects

The Board continues to focus its efforts on reducing costs to the District and community by increasing shared services. The District employs a single administrator. The former District Administrator retired on June 30, 2009 and was replaced with an interim administrator. In this fiscal year, the District continued to contract with Gateway Regional High School to provide business office services. We continue to share many auxiliary services in purchasing, food service, child study team/social work, and curriculum coordination with the Gateway Regional sending districts. These coordinated efforts allow the District to provide comprehensive services while realizing significant financial benefits. Joint purchasing of goods and services is utilized whenever possible to benefit from quantity discounts.

4. Internal Accounting Controls

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

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

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

5. Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2010.

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 and special revenue fund revenues for the fiscal year ended June 30, 2010, and the amount and percentage of increases and (decreases) in relation to prior year's revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) From 2009	Percent of (Increase) Decrease
Local sources	$ 2,049,587.70	53.60	$ 126,162.32	6.56
State sources	1,440,703.53	37.68	(83,484.81)	(5.48)
Federal sources	333,323.40	8.72	203,627.12	157.00
Total	$ 3,823,614.63	100.00	$ 246,304.63	6.89

The following schedule presents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2010, and the amount and percentage of increases and (decreases) in relation to prior year's expenditures.

Expenditures	Amount	Percent of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Current expense:				
Instruction	$ 1,505,584.60	39.44	$ 81.95	0.01
Undistributed expenditures	1,794,449.44	47.01	135,627.72	8.18
Capital outlay	26,986.00	0.71	26,986.00	100.00
Special revenue	490,256.65	12.84	55,919.37	12.87
Total	$ 3,817,276.69	100.00	$ 218,615.04	6.07

8. Debt Administration

The District is debt free and does not anticipate the need for further indebtedness at this time.

9. Cash Management

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

10. Risk Management

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

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 Ball, Buckley and Seher, LLP, are the appointed District auditors. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended in 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12. Acknowledgements

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

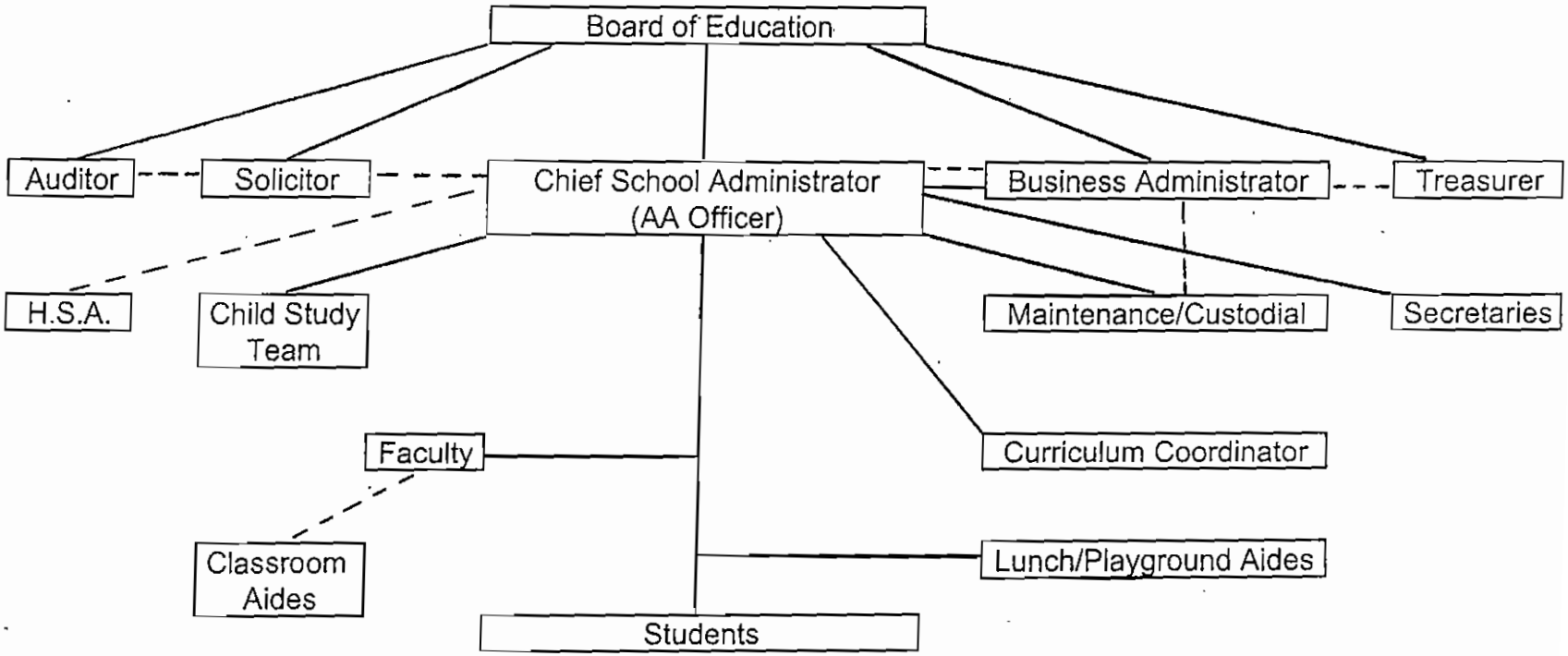
Respectfully submitted,

Stephen Derkoski
Chief School Administrator

Scott D. Henry
Gateway Business Services

WOODBURY HEIGHTS BOARD OF EDUCATION
WOODBURY HEIGHTS, NEW JERSEY

ORGANIZATIONAL CHART
JUNE 30, 2010



Direct Responsibility _____
Cooperative Responsibility ----------

WOODBURY HEIGHTS BOARD OF EDUCATION
WOODBURY HEIGHTS, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2010

	Term Expires
Members of the Board of Education	
Robert Truhan, Jr., President	2011
Margaret Hubert, Vice President	2013
Laurie Trocolli	2013
Kathleen Smith	2012
Jane Van Zandt	2012
Jean Cusack	2011
Victoria Holmstrom	2011

Other Officials

Stephen Derkoski, Chief School Administrator
Scott D. Henry, School Business Administrator/
Board Secretary
Charles J. Owens, Treasurer
Joseph Betley, Esquire, Solicitor

WOODBURY HEIGHTS BOARD OF EDUCATION
Consultants and Advisors

Audit Firm

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

Attorney

Joseph Betley, Esquire
Capehart & Scatchard, P.A.
8000 Midlantic Drive
Suite 300
Mount Laurel, New Jersey 08054

Official Depository

TD Bank
562 Mantua Avenue
Woodbury, New Jersey 08096

and

New Jersey Cash Management

Financial Section

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

PCPS
THE AICPA ALLIANCE FOR CPA FIRMS

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Woodbury Heights School District
County of Gloucester
Woodbury Heights, New Jersey

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

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Woodbury Heights School District as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated October 26, 2010 on my consideration of the Board of Education of the Woodbury Heights School District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

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The Management Discussion and Analysis and Budgetary Comparison Information on pages 11 through 19 and 43 through 58 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

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

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP

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

October 26, 2010

Required Supplementary Information - Part I

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

Financial Highlights

Key financial highlights for 2010 are as follows:

- Total revenues of $3,849,398.21 were comprised of general revenues in the amount of $3,109,233.38 or 80.77 percent and program specific revenues from charges for services, grants, and contributions in the amount of $740,164.83 or 19.23 percent.

- The District had $3,832,672.17 in expenses related to governmental activities; only $710,098.93 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and state aid) of $3,109,233.38 were sufficient to provide for these programs.

- Among major funds, the General Fund had $3,333,357.98 in revenues and $3,327,020.04 in expenditures. The General Fund's balance increased $6,337.94 from 2009. This increase was anticipated by the Board of Education.

Using This Generally Accepted Accounting Principles Report (GAAP)

This annual report consists of a series of financial statements and the Woodbury Heights Elementary School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

Reporting The School District As A Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. The School District does not have any business like activities.

Reporting The School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 22. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and Special Revenue Fund.

Governmental Funds

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

The School District As A Whole

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

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

Table 1
Net Assets

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets:						
Current and other assets	$ 206,250.56	$ 32,339.91	$ 238,590.47	$ 218,521.72	$ 48,367.49	$ 266,889.21
Capital assets, net	326,275.10	0.00	326,275.10	341,670.58	0.00	341,670.58
Total assets	532,525.66	32,339.91	564,865.57	560,192.30	48,367.49	608,559.79
Liabilities:						
Current and other liabilities	33,138.17	7,550.00	40,688.17	51,747.27	0.00	51,747.27
Long-term liabilities:						
Due within one year	0.00	0.00	0.00	0.00	0.00	0.00
Due in more than one year	41,201.56	0.00	41,201.56	36,919.24	0.00	36,919.24
Total liabilities	74,339.73	7,550.00	81,889.73	88,666.51	0.00	88,666.51
Net assets:						
Invested in capital assets, net of related debt	326,275.10	0.00	326,275.10	304,751.34	0.00	304,751.34
Restricted for:						
Capital projects	5.00	0.00	5.00	5.00	0.00	5.00
Other purposes	8,548.69	0.00	8,548.69	13,327.00	0.00	13,327.00
Unrestricted	123,357.14	24,789.91	148,147.05	153,442.45	48,367.49	201,809.94
Total net assets	$ 458,185.93	$ 24,789.91	$ 482,975.84	$ 471,525.79	$ 48,367.49	$ 519,893.28

Table 2
Changes in Net Assets

Table 2 shows the changes in net assets:

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program revenues:						
Charges for services	$ 0.00	$ 30,065.90	$ 30,065.90	$ 0.00	$ 34,717.70	$ 34,717.70
Operating grants and contributions	710,098.93	0.00	710,098.93	651,276.62	0.00	651,276.62
General revenues:						
Property taxes	2,016,745.00	0.00	2,016,745.00	1,919,233.00	0.00	1,919,233.00
Grants and entitlements	1,063,928.00	0.00	1,063,928.00	1,002,608.00	0.00	1,002,608.00
Tuition	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	28,560.38	0.00	28,560.38	2,539.28	0.00	2,539.28
Total revenues	3,819,332.31	30,065.90	3,849,398.21	3,575,656.90	34,717.70	3,610,374.60
Expenses:						
Program expenses:						
Instruction	1,828,055.30	0.00	1,828,055.30	1,802,017.73	0.00	1,802,017.73
Tuition	289,675.65	0.00	289,675.65	224,291.88	0.00	224,291.88
Student and instruction related services	504,149.61	0.00	504,149.61	407,064.21	0.00	407,064.21
School administration services	46,005.92	0.00	46,005.92	45,024.90	0.00	45,024.90
General and business services	258,360.14	0.00	258,360.14	264,603.68	0.00	264,603.68
Plant operations and maintenance	180,754.18	0.00	180,754.18	190,042.22	0.00	190,042.22
Pupil transportation	86,186.41	0.00	86,186.41	88,168.21	0.00	88,168.21
Unallocated benefits	597,103.48	0.00	597,103.48	577,448.82	0.00	577,448.82
Unallocated depreciation	42,381.48	0.00	42,381.48	40,380.37	0.00	40,380.37
Enterprise operation	0.00	53,643.48	53,643.48	0.00	37,622.56	37,622.56
Total expenses	3,832,672.17	53,643.48	3,886,315.65	3,639,042.02	37,622.56	3,676,664.58
Increase (decrease) in net assets	$ (13,339.86)	$ (23,577.58)	$ (36,917.44)	$ (63,385.12)	$ (2,904.86)	$ (66,289.98)

Governmental Activities

The tax levy in the amount of $2,016,745.00 was approved by the Township Committee in May 2009 after the voters defeated the budget for the operational expenses of the District.

Instruction comprises 47.70 percent of governmental program expenses. Employee benefits were 15.58 percent and student-related services were 13.15 percent.

Property taxes made up 52.80 percent of revenues for governmental activities for the fiscal year 2010.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	2010		2009	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 1,828,055.30	$ 1,505,584.60	$ 1,802,017.73	$ 1,505,542.65
Tuition	289,675.65	262,009.65	224,291.88	188,556.88
Student and instruction related services	504,149.61	364,091.66	407,064.21	305,077.01
School administration services	46,005.92	46,005.92	45,024.90	45,024.90
General and business services	258,360.14	258,360.14	264,603.68	264,603.68
Plant operations and maintenance	180,754.18	180,754.18	190,042.22	190,042.22
Pupil transportation	86,186.41	86,186.41	88,168.21	88,168.21
Unallocated benefit expenses	597,103.48	377,199.20	577,448.82	360,369.48
Unallocated depreciation	42,381.48	42,381.48	40,380.37	40,380.37
Total	$ 3,832,672.17	$ 3,122,573.24	$ 3,639,042.02	$ 2,987,765.40

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

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

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

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

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

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

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

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

The School District's Funds

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of $3,823,614.63 and expenditures of $3,817,276.69. The net change in fund balance for the year was not significant in the General Fund, an increase of $6,337.94.

General Fund Budgeting Highlights

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

During the course of the fiscal 2010 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

The General fund revenues and other financing sources of the School District were more than expenditures by approximately $6,337.94.

Capital Assets

At the end of the fiscal year 2010, the School District had $1,503,152.19 invested in land, buildings, and equipment; $1,500,487.49 in governmental activities.

Table 4
Capital Assets (Net of Depreciation)
At June 30, 2010 and 2009

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land, site, and site improvements	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Building and improvements	274,401.73	0.00	274,401.73	278,413.41	0.00	278,413.41
Furniture and equipment	51,873.37	0.00	51,873.37	63,257.17	0.00	63,257.17
Total	$ 326,275.10	$ 0.00	$ 326,275.10	$ 341,670.58	$ 0.00	$ 341,670.58

Debt

At June 30, 2010, the District had $41,201.56 in debt outstanding, $0.00 due within one year.

Table 5 summarizes debt outstanding.

Table 5
Outstanding Debt
At June 30, 2010 and 2009

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Compensated absences	$ 41,201.56	$ 0.00	$ 41,201.56	$ 36,919.24	$ 0.00	$ 36,919.24
Total	$ 41,201.56	$ 0.00	$ 41,201.56	$ 36,919.24	$ 0.00	$ 36,919.24

At June 30, 2010, the District's overall legal debt margin was $7,423,067.63.

For the Future

Woodbury Heights Elementary School is set primarily in a residential community, with little availability for growth. This trend is expected to continue. The School District will continue to provide a full range of educational services appropriate to grade levels K through 6. These will continue to include regular, as well as special services for gifted and handicapped students. The District will continue to look for the most cost efficient and effective manner to provide the services for its students. The sharing of many auxiliary services and joint purchasing of goods and services will be utilized to reduce costs to the District and community while still maintaining a high level of educational services to the students.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Scott D. Henry, School Business Administrator/Board Secretary at Gateway Business Services, 775 Tanyard Road, Woodbury Heights, NJ 08097.

Basic Financial Statements

District-Wide Financial Statements

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Net Assets
June 30, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	$ 111,358.24	$ 32,339.91	$ 143,698.15
Receivables, net	94,892.32	0.00	94,892.32
Restricted assets:			
Cash and cash equivalents	0.00	0.00	0.00
Capital assets, net	326,275.10	0.00	326,275.10
Total assets	532,525.66	32,339.91	564,865.57
LIABILITIES:			
Accounts payable	788.74	7,550.00	8,338.74
Payable to federal government	0.00	0.00	0.00
Payable to state government	32,349.43	0.00	32,349.43
Deferred revenue	0.00	0.00	0.00
Noncurrent liabilities:			
Due within one year	0.00	0.00	0.00
Due beyond one year	41,201.56	0.00	41,201.56
Total liabilities	74,339.73	7,550.00	81,889.73
NET ASSETS:			
Invested in capital assets, net of related debt	326,275.10	0.00	326,275.10
Restricted for:			
Capital projects	5.00	0.00	5.00
Other purposes	8,548.69	0.00	8,548.69
Unrestricted	123,357.14	24,789.91	148,147.05
Total net assets	$ 458,185.93	$ 24,789.91	$ 482,975.84

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expenses) Revenue And Changes In Net Assets: Governmental Activities	Net (Expenses) Revenue And Changes In Net Assets: Business-Type Activities	Net (Expenses) Revenue And Changes In Net Assets: Total
Governmental activities:							
Instruction:							
Regular	$ 1,396,780.99	$ 0.00	$ 322,470.70	$ 0.00	$ (1,074,310.29)	$ 0.00	$ (1,074,310.29)
Special education	296,012.05	0.00	0.00	0.00	(296,012.05)	0.00	(296,012.05)
Other instruction	135,262.26	0.00	0.00	0.00	(135,262.26)	0.00	(135,262.26)
Support services:							
Tuition	289,675.65	0.00	27,666.00	0.00	(262,009.65)	0.00	(262,009.65)
Student and instruction related services	504,149.61	0.00	140,057.95	0.00	(364,091.66)	0.00	(364,091.66)
School administrative services	46,005.92	0.00	0.00	0.00	(46,005.92)	0.00	(46,005.92)
General and business administrative services	258,360.14	0.00	0.00	0.00	(258,360.14)	0.00	(258,360.14)
Plant operations and maintenance	180,754.18	0.00	0.00	0.00	(180,754.18)	0.00	(180,754.18)
Pupil transportation	86,186.41	0.00	0.00	0.00	(86,186.41)	0.00	(86,186.41)
Unallocated benefits	597,103.48	0.00	219,904.28	0.00	(377,199.20)	0.00	(377,199.20)
Unallocated depreciation	42,381.48	0.00	0.00	0.00	(42,381.48)	0.00	(42,381.48)
Total governmental activities	3,832,672.17	0.00	710,098.93	0.00	(3,122,573.24)	0.00	(3,122,573.24)
Business-type activities:							
Latchkey	53,643.48	30,065.90	0.00	0.00	0.00	(23,577.58)	(23,577.58)
Total business-type activities	53,643.48	30,065.90	0.00	0.00	0.00	(23,577.58)	(23,577.58)
Total primary government	$ 3,886,315.65	$ 30,065.90	$ 710,098.93	$ 0.00	(3,122,573.24)	(23,577.58)	(3,146,150.82)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					2,016,745.00	0.00	2,016,745.00
Federal and state aid not restricted					1,063,928.00	0.00	1,063,928.00
Investment earnings					1,568.46	0.00	1,568.46
Miscellaneous income					31,274.24	0.00	31,274.24
Long-term debt:							
Compensated absences					(4,282.32)	0.00	(4,282.32)
Total general revenues, special items, extraordinary items, and transfers					3,109,233.38	0.00	3,109,233.38
Change in net assets					(13,339.86)	(23,577.58)	(36,917.44)
Net assets - beginning					471,525.79	48,367.49	519,893.28
Net assets - ending					$ 458,185.93	$ 24,789.91	$ 482,975.84

Fund Financial Statements

WOODBURY HEIGHTS SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2010

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS:			
Cash and cash equivalents	$ 111,358.24	$ 0.00	$ 111,358.24
Due from other funds	36,039.08	0.00	36,039.08
Receivables from other governments	26,503.81	70,624.08	97,127.89
Total assets	$ 173,901.13	$ 70,624.08	$ 244,525.21
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts payable	$ 788.74	$ 0.00	$ 788.74
Interfund accounts payable	0.00	38,274.65	38,274.65
Payable to state government	0.00	32,349.43	32,349.43
Total liabilities	788.74	70,624.08	71,412.82
Fund balances:			
Reserved for:			
Encumbrances	8,548.69	0.00	8,548.69
Capital reserve account	5.00	0.00	5.00
Unreserved - designated for subsequent year's expenditures	90,000.00	0.00	90,000.00
Unreserved, reported in:			
General fund	74,558.70	0.00	74,558.70
Total fund balances	173,112.39	0.00	173,112.39
Total liabilities and fund balances	$ 173,901.13	$ 70,624.08	

Amounts reported for governmental activities in the statement of net assets (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $1,500,487.49 and the accumulated depreciation is $1,174,212.39.	326,275.10
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 5)	(41,201.56)
	$ 458,185.93

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2010

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES:			
Local sources:			
Local tax levy	$ 2,016,745.00	$ 0.00	$ 2,016,745.00
Miscellaneous	32,842.70	0.00	32,842.70
Total local sources	2,049,587.70	0.00	2,049,587.70
State sources	1,124,068.28	316,635.25	1,440,703.53
Federal sources	159,702.00	173,621.40	333,323.40
Total revenues	3,333,357.98	490,256.65	3,823,614.63
EXPENDITURES:			
Current:			
Regular instruction	1,074,310.29	322,470.70	1,396,780.99
Special education instruction	296,012.05	0.00	296,012.05
Other instruction	135,262.26	0.00	135,262.26
Support services and undistributed costs:			
Tuition	262,009.65	27,666.00	289,675.65
Student and instruction related services	364,091.66	140,057.95	504,149.61
School administrative services	46,005.92	0.00	46,005.92
Other administrative services	258,360.14	0.00	258,360.14
Plant operations and maintenance	180,754.18	0.00	180,754.18
Pupil transportation	86,186.41	0.00	86,186.41
Unallocated benefits	597,041.48	62.00	597,103.48
Capital outlay	26,986.00	0.00	26,986.00
Total expenditures	3,327,020.04	490,256.65	3,817,276.69
Excess (deficiency) of revenues over (under) expenditures	6,337.94	0.00	6,337.94
Net change in fund balances	6,337.94	0.00	6,337.94
Fund balance - July 1	166,774.45	0.00	166,774.45
Fund balance - June 30	$ 173,112.39	$ 0.00	$ 173,112.39

WOODBURY HEIGHTS SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
For the Fiscal Year Ended June 30, 2010

Total net change in fund balances - governmental funds (from B-2)		$ 6,337.94
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	$ (42,381.48)	
Capital outlays	26,986.00	(15,395.48)
Revenues in the statement of activities which do not provide current financial resources are not reported as revenues in the funds:		
Compensated absences	(4,282.32)	(4,282.32)
Change in net assets of governmental activities		$ (13,339.86)

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2010

		Business-Type Activities - Enterprise Funds
ASSETS:		
Current assets:		
Cash and cash equivalents		$ 32,339.91
	Total current assets	32,339.91
Noncurrent assets:		
Equipment		2,664.70
Less: accumulated depreciation		(2,664.70)
	Total noncurrent assets	0.00
	Total assets	$ 32,339.91
LIABILITIES:		
Current liabilities:		
Accounts payable		$ 7,550.00
	Total current liabilities	7,550.00
	Total liabilities	$ 7,550.00
NET ASSETS:		
Unrestricted		24,789.91
	Total net assets	$ 24,789.91

EXHIBIT B-5

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
June 30, 2010

		Business-Type Activities - Enterprise Funds
OPERATING REVENUES:		
Local sources:		
Project safekeep fees		$ 30,065.90
	Total operating revenues	30,065.90
OPERATING EXPENSES:		
Salaries and benefits		24,846.29
Supplies and materials		6,533.61
Miscellaneous		22,263.58
	Total operating expenses	53,643.48
	Operating income (loss)/change in net assets	(23,577.58)
Total net assets - beginning		48,367.49
Total net assets - ending		$ 24,789.91

EXHIBIT B-6

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
June 30, 2010

	Business-Type Activities - Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	$ 30,065.90
Payments to employees	(24,846.29)
Payments to suppliers	(21,247.19)
Net cash provided by (used for) operating activities	(16,027.58)
Net increase (decrease) in cash and cash equivalents	(16,027.58)
Balances - beginning of year	48,367.49
Balances - end of year	$ 32,339.91
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ (23,577.58)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Increase/(decrease) in accounts payable	7,550.00
Total adjustments	7,550.00
Net cash provided by (used for) operating activities	$ (16,027.58)

WOODBURY HEIGHTS SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

		Agency Fund
ASSETS:		
Cash and cash equivalents	$	21,513.05
Interfund accounts receivable		2,235.57
Total assets	$	23,748.62
LIABILITIES:		
Due to student groups	$	4,734.80
Payroll deductions and withholdings		19,013.82
Total liabilities		23,748.62
Total liabilities and fund balances	$	23,748.62

Notes To The Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Woodbury Heights School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board is comprised of 7 members elected to three-year terms. The purpose of the District is to educate students in grades K - 6. The District had an approximate enrollment at June 30, 2010 of 236 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether the organization is legally separate (can sue or be sued in their own name), the District holds the corporate power of the organization, the District appoints a voting majority of the organization's board, the District is able to impose its will on the organization, the organization has the potential to impose a financial benefit/burden on the District, and there is a fiscal dependency by the organization on the District.

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

B. Government-Wide and Fund Financial Statements

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

The District's enterprise funds are comprised of a latchkey program entitled "Project Safekeep".

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Concluded)

Proprietary Funds (Concluded)

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

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

Project safekeep fund:
Equipment - 10 years

Fiduciary Funds

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue are recognized as soon as they are both measurable and available. Revenues are considered to be available when the are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Bndgets/Budgetary Control

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

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

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

F. Encumbrances

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash, Cash Equivalents, and Investments

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

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

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

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

H. Tuition Receivable

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

I. Tuition Payable

Tuition charges for the fiscal years 2009-10 and 2008-09 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories and Prepaid Expenses

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

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

K. Short-Term Interfund Receivables/Payables

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

L. Capital Assets

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

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

M. Compensated Absences

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

N. Deferred Revenue

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

O. Long-Term Obligations

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

P. Fund Equity

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

Q. Use of Estimates

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

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following three categories described below:

Category 1 - Insured, registered, or collateralized with securities held by the District or by its agent in the District's name.

Category 2 - Uninsured, unregistered, or collateralized with securities held by the pledging public depository or by its trust department or agent in the District's name.

Category 3 - Uninsured, unregistered, uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository, or by its trust department or agent but not in the District's name. Investments in the New Jersey Cash Management Fund are included in this category.

As of June 30, 2009, the District's deposits and investments are summarized as follows:

Category	Amount
1	$ 332,633.69
2	-
3	64,255.09
	$ 396,888.78

New Jersey Cash Management Fund - All investments in the fund are governed by the regulations of the Investment Council, which prescribe specific standards designated 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 of June 30, 2010, the District had $82,633.69 on deposit with the New Jersey Cash Management Fund.

NOTE 3 - FIXED ASSETS

The following schedule is a summarization of the changes in general fixed assets by source for the fiscal year ended June 30, 2010:

	Balance as of June 30, 2009	Expended From General Fund	Deletions	Balance as of June 30, 2010
Site and site improvements	$ 15,802.11	$ 0.00	$ 0.00	$ 15,802.11
Buildings and building addition	1,067,020.14	26,986.00	0.00	1,094,006.14
Equipment	390,679.24	0.00	0.00	390,679.24
Total	$ 1,473,501.49	$ 26,986.00	$ 0.00	$ 1,500,487.49
		Less: accumulated depreciation		1,174,212.39
		Net fixed assets		$ 326,275.10

The following is a summary of proprietary fund type fixed assets at June 30, 2010:

Machinery and equipment	$ 2,664.73
Less: accumulated depreciation	2,664.73
Net fixed assets	$ 0.00

NOTE 4 - GENERAL LONG-TERM DEBT

During the fiscal year ended June 30, 2010, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance June 30, 2009	Issued	Retired	Balance June 30, 2010
Compensated absences payable	$ 36,919.24	$ 4,282.32	$ -.	$ 41,201.56
	$ 36,919.24	$ 4,282.32	$ -.	$ 41,201.56

A. Bonds Payable

No bonds were issued by the School District as of June 30, 2010.

B. Bonds Authorized But Not Issued

As of June 30, 2010, the Board had no authorized but not issued bonds.

C. Capital Leases Payable

As of June 30, 2010, the Board had no capital leases.

D. Interest Expense

No interest expense was capitalized during the fiscal year ending June 30, 2010. Interest expense totaling $0.00 was paid by the debt service fund for the fiscal year ending June 30, 2010.

NOTE 5 - 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 or the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, Post Office 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, death, disability, and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the System's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional, and certified.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System 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 a member of another State-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions

The vesting and benefit provisions of 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 8 to 10 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 1/60th of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final 3 years of service prior to retirement (or highest 3 years' compensation if other than the final 3 years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving 8 to 10 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 3 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.

NOTE 5 - PENSION PLANS (Continued)

Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes, or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey's retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

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% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	$ -	100.00	$ -
June 30, 2009	-	100.00	-
June 30, 2008	-	100.00	-

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	$ 103,490.00	100.00	$ 103,490.00
June 30, 2009	94,899.00	100.00	94,899.00
June 30, 2008	268,729.00	100.00	268,729.00

NOTE 5 - PENSION PLANS (Concluded)

Contribution Requirements (Concluded)

During the fiscal year ended June 30, 2010, the State of New Jersey contributed $103,490.00 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $116,352.28 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. These amounts have been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

NOTE 6 - POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c. 6 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2207, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and repayment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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, c. 62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State made post-retirement (PRM) contributions of $1.38 billion for fiscal year 2009 and $3.22 million for fiscal year 2008.

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

NOTE 7 - COMPENSATED ABSENCES

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

Twelve-month professional employees, custodians, and support staff are eligible for vacation based on contract schedules with a maximum of twenty days in a fiscal year. However, all vacation days must be taken within one year of the time credited.

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

NOTE 7 - COMPENSATED ABSENCES (Concluded)

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2010, no liability existed for compensated absences in the proprietary fund types.

NOTE 8 - DEFERRED COMPENSATION

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

Lincoln Investments
Siracusa
American Century

NOTE 9 - RISK MANAGEMENT

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

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

The District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDJIF), public entity risk pool. Coverage under this joint plan offers workers' compensation, boiler and machinery, automobile liability, general liability, property, crime and school board legal liability coverage. The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies. No contingency provision has been made in these financial statements as no deficiencies occurred as of June 30, 2010 for the joint insurance pool. As of December 31, 2009, the fund had a projected surplus of $1,064,506.00 of which the District has a proportionate share of $18,311.00.

NOTE 10 - INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances existed at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General fund	$ 36,039.08	$ -
Special revenue fund	-	38,274.65
Trust and agency fund	2,235.57	-
	$ 38,274.65	$ 38,274.65

NOTE 11 - FUND BALANCE APPROPRIATED

General Fund - Of the $173,112.39 General Fund balance at June 30, 2010, $8,548.69 is reserved for encumbrances; $5.00 has been reserved in the Capital Reserve Account; $90,000.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2011; and $74,558.70 is unreserved and undesignated.

NOTE 12 - CALCULATION OF EXCESS SURPLUS

The designation for reserved fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2010 is $0.00. The excess fund balance at June 30, 2009 was $0.00. Pursuant to the provisions of Executive Order No. 14, $8,225.00 of fund balance was approved by the Commissioner of the Department of Education for withdrawal to address any budget shortfall in the General Fund account group due to the 2009-10 withholding of state aid.

NOTE 13 - CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of $1.00 in the 2000-01 capital outlay budget, which was certified for taxes and for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund its activity is included in the general fund annual budget.

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

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

Beginning balance, July 1, 2009	$ 5.00
Interest earnings	-
Ending balance, June 30, 2010	$ 5.00

NOTE 14 - CONTINGENT LIABILITIES

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

Required Supplementary Information - Part II

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
REVENUES:					
Local sources:					
Local tax levy	$ 2,016,745.00	$ 0.00	$ 2,016,745.00	$ 2,016,745.00	$ 0.00
Unrestricted miscellaneous revenues	20,000.00	0.00	20,000.00	32,842.70	12,842.70
Total local sources	2,036,745.00	0.00	2,036,745.00	2,049,587.70	12,842.70
State sources:					
Equalization aid	880,162.00	(159,702.00)	720,460.00	720,460.00	0.00
Categorical transportation aid	27,120.00	0.00	27,120.00	18,895.00	(8,225.00)
Categorical special education aid	120,734.00	0.00	120,734.00	120,734.00	0.00
Categorical security aid	19,473.00	0.00	19,473.00	19,473.00	0.00
Adjustment aid	0.00	0.00	0.00	0.00	0.00
Extraordinary aid	11,706.00	0.00	11,706.00	20,683.00	8,977.00
On-behalf T.P.A.F. pension contributions (non-budgeted)	0.00	0.00	0.00	103,490.00	103,490.00
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	116,352.28	116,352.28
Total state sources	1,059,195.00	(159,702.00)	899,493.00	1,120,087.28	220,594.28
Federal sources:					
ARRA - ESF	0.00	153,750.00	153,750.00	153,750.00	0.00
ARRA - GSF	0.00	5,952.00	5,952.00	5,952.00	0.00
Total federal sources	0.00	159,702.00	159,702.00	159,702.00	0.00
Total revenues	3,095,940.00	0.00	3,095,940.00	3,329,376.98	233,436.98

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	$ 168,777.00	$ 1,027.50	$ 169,804.50	$ 169,804.50	$ 0.00
Grades 1-5	667,047.00	1,187.79	668,234.79	668,114.59	120.20
Grades 6-8	188,064.00	844.60	188,908.60	188,506.10	402.50
Home instruction:					
Salaries of teachers	800.00	(613.80)	186.20	0.00	186.20
Purchased professional - educational services	0.00	613.80	613.80	313.80	300.00
Regular programs - undistributed instruction:					
Purchased professional - educational services	10.00	0.00	10.00	0.00	10.00
Purchased technical services	11,360.00	(6,950.00)	4,410.00	4,400.00	10.00
Other purchased services	0.00	167.84	167.84	0.00	167.84
General supplies	40,141.00	1,849.61	41,990.61	40,738.80	1,251.81
Textbooks	0.00	162.00	162.00	162.00	0.00
Other objects	5,022.00	(2,744.50)	2,277.50	2,270.50	7.00
Total regular programs	1,081,221.00	(4,455.16)	1,076,765.84	1,074,310.29	2,455.55

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Resource room/resource center - instruction:					
Salaries of teachers	$ 198,951.00	$ 9,528.00	$ 208,479.00	$ 208,440.10	$ 38.90
Other salaries for instruction	82,527.00	(2,196.59)	80,330.41	80,330.41	0.00
Purchased technical services	500.00	5,302.14	5,802.14	5,802.14	0.00
General supplies	1,379.00	61.00	1,440.00	1,439.40	0.60
Total resource room/resource center - instruction	283,357.00	12,694.55	296,051.55	296,012.05	39.50
Total special education	283,357.00	12,694.55	296,051.55	296,012.05	39.50
Basic skills/remedial - instruction:					
Salaries of teachers	127,889.00	(3,510.41)	124,378.59	124,085.60	292.99
Other purchased services	390.00	(310.53)	79.47	0.00	79.47
General supplies	132.00	0.00	132.00	116.02	15.98
Total basic skills/remedial - instruction	128,411.00	(3,820.94)	124,590.06	124,201.62	388.44
School sponsored cocurricular/extracurricular activities - instruction:					
Salaries	6,200.00	3,816.36	10,016.36	10,016.36	0.00
Purchased services	160.00	0.00	160.00	85.00	75.00
Supplies and materials	700.00	(285.72)	414.28	414.28	0.00
Other objects	1,400.00	(855.00)	545.00	545.00	0.00
Total school sponsored cocurricular/extracurricular activities - instruction	8,460.00	2,675.64	11,135.64	11,060.64	75.00
Total instruction	420,228.00	11,549.25	431,777.25	431,274.31	502.94

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state - special	$ 145,560.00	$ 8,282.40	$ 153,842.40	$ 152,174.60	$ 1,667.80
Tuition to county special services and regional day schools	103,620.00	(6,244.06)	97,375.94	71,206.00	26,169.94
Tuition to private schools for the handicapped - special within the state	53,551.00	(14,921.95)	38,629.05	38,629.05	0.00
Total instruction	302,731.00	(12,883.61)	289,847.39	262,009.65	27,837.74
Attendance and social work services:					
Salaries	9,425.00	0.00	9,425.00	9,424.92	0.08
Purchased professional and technical services	500.00	(458.05)	41.95	0.00	41.95
Total attendance and social work services	9,925.00	(458.05)	9,466.95	9,424.92	42.03
Health services:					
Salaries	40,881.00	120.00	41,001.00	41,001.00	0.00
Purchased professional and technical services	1,500.00	220.00	1,720.00	1,720.00	0.00
Other purchased services	400.00	62.50	462.50	112.50	350.00
Supplies and materials	2,045.00	(402.50)	1,642.50	1,401.64	240.86
Total health services	44,826.00	0.00	44,826.00	44,235.14	590.86

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Speech, OT, PT, and related services:					
Salaries	$ 47,328.00	$ 17,150.05	$ 64,478.05	$ 64,478.05	$ 0.00
Purchased professional educational services	18,750.00	14,678.50	33,428.50	33,401.63	26.87
Supplies and materials	325.00	0.00	325.00	245.56	79.44
Total speech, OT, PT, and related services	66,403.00	31,828.55	98,231.55	98,125.24	106.31
Other support services - students - extraordinary services:					
Salaries	0.00	360.00	360.00	360.00	0.00
Purchased professional educational services	21,473.00	(1,868.00)	19,605.00	19,605.00	0.00
Supplies and materials	3,359.00	(360.00)	2,999.00	2,869.50	129.50
Total other support services - students - extraordinary services	24,832.00	(1,868.00)	22,964.00	22,834.50	129.50
Guidance:					
Salaries of other professional staff	25,236.00	168.69	25,404.69	25,404.69	0.00
Purchased professional educational services	6,860.00	(364.98)	6,495.02	6,491.57	3.45
Other purchased professional and technical services	605.00	(605.00)	0.00	0.00	0.00
Other purchased services	390.00	(273.00)	117.00	0.00	117.00
Supplies and materials	0.00	390.29	390.29	192.97	197.32
Total guidance	33,091.00	(684.00)	32,407.00	32,089.23	317.77

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Child study teams:					
Purchased professional educational services	$ 72,515.00	$ 0.00	$ 72,515.00	$ 72,515.00	$ 0.00
Total child study teams	72,515.00	0.00	72,515.00	72,515.00	0.00
Improvement of instruction services:					
Purchased professional educational services	28,430.00	0.00	28,430.00	28,430.00	0.00
Other purchased professional and technical services	3,248.00	(1,683.64)	1,564.36	400.00	1,164.36
Total improvement of instruction services	31,678.00	(1,683.64)	29,994.36	28,830.00	1,164.36
Educational media services/school library:					
Salaries	47,750.00	0.00	47,750.00	47,750.00	0.00
Purchased professional and technical services	0.00	971.70	971.70	971.70	0.00
Supplies and materials	5,114.00	0.00	5,114.00	5,010.77	103.23
Total educational media services/school library	52,864.00	971.70	53,835.70	53,732.47	103.23

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Training services - instructional staff:					
Other purchased services	$ 4,680.00	$ (23.44)	$ 4,656.56	$ 1,715.00	$ 2,941.56
Supplies and materials	539.00	51.44	590.44	590.16	0.28
Total training services - instructional staff	5,219.00	28.00	5,247.00	2,305.16	2,941.84
Support services - general administration:					
Salaries	157,686.00	(96,011.20)	61,674.80	60,800.97	873.83
Legal services	950.00	1,390.50	2,340.50	2,340.38	0.12
Audit fees	8,900.00	(650.00)	8,250.00	8,029.00	221.00
Other purchased professional services	3,950.00	83,175.00	87,125.00	86,275.00	850.00
Purchased technical services	3,000.00	(2,500.00)	500.00	331.00	169.00
Communications/telephone	12,720.00	6,824.00	19,544.00	18,424.65	1,119.35
BOE other purchased services	1,000.00	(882.00)	118.00	0.00	118.00
Other purchased services	4,075.00	2,337.00	6,412.00	5,577.89	834.11
General supplies	2,202.00	140.00	2,342.00	1,524.98	817.02
Miscellaneous expenditures	1,709.00	150.00	1,859.00	1,859.00	0.00
BOE membership dues and fees	3,650.00	(150.00)	3,500.00	2,641.00	859.00
Total support services - general administration	199,842.00	(6,176.70)	193,665.30	187,803.87	5,861.43

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Support services - school administration:					
Salaries of secretarial and clerical assistants	$ 45,500.00	$ 0.00	$ 45,500.00	$ 45,499.92	$ 0.08
Purchased professional and technical services	1,800.00	(1,644.84)	155.16	0.00	155.16
Other purchased services	195.00	0.00	195.00	0.00	195.00
Supplies and materials	1,200.00	(750.00)	450.00	450.00	0.00
Other objects	250.00	0.00	250.00	56.00	194.00
Total support services - school administration	48,945.00	(2,394.84)	46,550.16	46,005.92	544.24
Central services:					
Purchased professional services	60,365.00	0.00	60,365.00	60,365.00	0.00
Purchased technical services	10,995.00	(350.00)	10,645.00	9,395.00	1,250.00
Supplies and materials	500.00	0.00	500.00	500.00	0.00
Interest on lease purchase agreements	2,250.00	(2,003.50)	246.50	246.50	0.00
Other objects	150.00	0.00	150.00	49.77	100.23
Total central services	74,260.00	(2,353.50)	71,906.50	70,556.27	1,350.23
Required maintenance for school facilities:					
Salaries	8,775.00	1,100.00	9,875.00	9,453.35	421.65
Cleaning, repair, and maintenance services	4,000.00	6,113.10	10,113.10	10,113.03	0.07
General supplies	4,500.00	(3,588.78)	911.22	265.00	646.22
Total required maintenance for school facilities	17,275.00	3,624.32	20,899.32	19,831.38	1,067.94

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Custodial services:					
Salaries	$ 62,711.00	$ 3,466.86	$ 66,177.86	$ 62,613.88	$ 3,563.98
Purchased professional and technical services	3,950.00	2,225.24	6,175.24	6,175.00	0.24
Cleaning, repair, and maintenance services	3,000.00	0.00	3,000.00	2,888.70	111.30
Rental of land and building - other than lease purchase agreements	150.00	(150.00)	0.00	0.00	0.00
Other purchased property services	4,900.00	550.00	5,450.00	5,186.00	264.00
Insurance	18,350.00	1,729.00	20,079.00	20,079.00	0.00
Miscellaneous purchased services	450.00	0.00	450.00	350.00	100.00
General supplies	17,500.00	(2,241.40)	15,258.60	14,321.66	936.94
Energy (electricity)	61,500.00	(8,778.02)	52,721.98	49,285.15	3,436.83
Miscellaneous expenses	450.00	(426.00)	24.00	23.41	0.59
Total custodial services	172,961.00	(3,624.32)	169,336.68	160,922.80	8,413.88
Student transportation services:					
Contracted services (special education) - joint agreements	103,664.00	(4,200.00)	99,464.00	86,186.41	13,277.59
Contracted services - aid in lieu of payments	914.00	0.00	914.00	0.00	914.00
Total student transportation services	104,578.00	(4,200.00)	100,378.00	86,186.41	14,191.59

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Unallocated benefits:					
Social security contributions	$ 28,100.00	$ 170.04	$ 28,270.04	$ 28,270.04	$ 0.00
Other retirement contributions - regular	16,640.00	6,452.00	23,092.00	23,092.00	0.00
Unemployment compensation	4,600.00	1,829.96	6,429.96	8,234.25	(1,804.29)
Workmen's compensation	16,000.00	(345.00)	15,655.00	15,655.00	0.00
Health benefits	295,396.00	(13,255.50)	282,140.50	275,779.41	6,361.09
Tuition reimbursement	15,500.00	(2,000.00)	13,500.00	8,850.00	4,650.00
Other employee benefits	9,300.00	13,255.50	22,555.50	17,318.50	5,237.00
Total unallocated benefits	385,536.00	6,107.00	391,643.00	377,199.20	14,443.80
On-behalf T.P.A.F. pension contributions (non-budgeted)	0.00	0.00	0.00	103,490.00	(103,490.00)
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	116,352.28	(116,352.28)
Total undistributed expenditures	1,647,481.00	6,232.91	1,653,713.91	1,794,449.44	(140,735.53)
Total expenditures - current expense	3,148,930.00	13,327.00	3,162,257.00	3,300,034.04	(137,777.04)

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
CAPITAL OUTLAY:					
Equipment:					
Undistributed Expenditures:					
Custodial services	$ 20,000.00	$ (20.00)	$ 19,980.00	$ 19,966.00	$ 14.00
Total special schools	20,000.00	(20.00)	19,980.00	19,966.00	14.00
Facilities acquisition and construction services					
Construction services	7,000.00	20.00	7,020.00	7,020.00	0.00
Total facilities acquisition and construction services	7,000.00	20.00	7,020.00	7,020.00	0.00
Total capital outlay	27,000.00	0.00	27,000.00	26,986.00	14.00
Total expenditures	3,175,930.00	13,327.00	3,189,257.00	3,327,020.04	(137,763.04)

WOODBURY HEIGHTS 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 Favorable (Unfavorable)
Excess (deficiency) of revenues over (under) expenditures	$ (79,990.00)	$ (13,327.00)	$ (93,317.00)	$ 2,356.94	$ 95,673.94
Other financial sources (uses):					
Food service fund	(10.00)	0.00	(10.00)	0.00	10.00
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(80,000.00)	(13,327.00)	(93,327.00)	2,356.94	95,683.94
Fund balances - July 1	253,388.45	0.00	253,388.45	253,388.45	0.00
Fund balances - June 30	$ 173,388.45	$ (13,327.00)	$ 160,061.45	$ 255,745.39	$ 95,683.94

Recapitulation:	
Reserve for encumbrances	$ 8,548.69
Capital reserve	5.00
Unreserved - designated for subsequent year's expenditures	90,000.00
Unreserved fund balance - undesignated	157,191.70
	255,745.39
Reconciliation to governmental funds statements (GAAP):	
Last state aid payment not recognized on GAAP basis	(82,633.00)
Fund balance per governmental funds (GAAP)	$ 173,112.39

EXHIBIT C-2

WOODBURY HEIGHTS SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual (Budgetary Basis)	Variance Final To Actual Favorable (Unfavorable)
REVENUES:					
State sources	$ 276,149.00	$ 70,561.00	$ 346,710.00	$ 316,635.25	$ (30,074.75)
Federal sources	93,307.00	178,964.52	272,271.52	173,621.40	(98,650.12)
Total revenues	369,456.00	249,525.52	618,981.52	490,256.65	(128,724.87)
EXPENDITURES:					
Instruction:					
Salaries of teachers	9,218.00	15,152.00	24,370.00	24,070.00	300.00
Purchased professional and technical services	245,904.00	42,798.00	288,702.00	265,530.33	23,171.67
General supplies	12,448.00	31,476.72	43,924.72	11,255.85	32,668.87
Tuition	84,089.00	(56,423.00)	27,666.00	27,666.00	0.00
Miscellaneous purchased services	17,797.00	7,717.00	25,514.00	21,614.52	3,899.48
Total instruction	369,456.00	40,720.72	410,176.72	350,136.70	60,040.02
Support services:					
Salaries	0.00	600.00	600.00	0.00	600.00
Employee benefits	0.00	4,553.00	4,553.00	62.00	4,491.00
Purchased educational services	0.00	74,132.00	74,132.00	74,132.00	0.00
Purchased technical services	0.00	96,342.00	96,342.00	34,427.75	61,914.25
Miscellaneous purchased services	0.00	33,062.00	33,062.00	31,382.40	1,679.60
Supplies	0.00	115.80	115.80	115.80	0.00
Total support services	0.00	208,804.80	208,804.80	140,119.95	68,684.85
Total expenditures	369,456.00	249,525.52	618,981.52	490,256.65	128,724.87
Excess (deficiency) of revenues over (under) expenditures	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Notes To The Required Supplementary Information

WOODBURY HEIGHTS SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note To Required Supplementary Information
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	$ 3,329,376.98	$ 490,256.65
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is realized:		
2009-10	0.00	0.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements:		
2008-09	86,614.00	0.00
2009-10	(82,633.00)	0.00
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 3,333,357.98	$ 490,256.65
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 3,300,034.04	$ 490,256.65
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
School year 2009-10	0.00	0.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 3,300,034.04	$ 490,256.65

WOODBURY HEIGHTS SCHOOL DISTRICT
Budgetary Comparison ARRA Supplementary Schedule
General Fund
For the Fiseal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
REVENUES:					
Federal sources:					
ARRA - ESF	$ 0.00	$ 153,750.00	$ 153,750.00	$ 153,750.00	$ 0.00
ARRA - GSF	0.00	5,952.00	5,952.00	5,952.00	0.00
Total federal sources	0.00	159,702.00	159,702.00	159,702.00	0.00
Total revenues	0.00	159,702.00	159,702.00	159,702.00	0.00
EXPENDITURES:					
Education stabilization fund:					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	0.00	20,000.00	20,000.00	20,000.00	0.00
Grades 1-5	0.00	66,500.00	66,500.00	66,500.00	0.00
Grades 6-8	0.00	22,906.45	22,906.45	22,906.45	0.00
Total regular programs	0.00	109,406.45	109,406.45	109,406.45	0.00
Resource room/resource center:					
Salaries of teachers	0.00	6,000.00	6,000.00	6,000.00	0.00
Total resource room/resource center	0.00	6,000.00	6,000.00	6,000.00	0.00
Attendance and social work services:					
Salaries	0.00	1,750.00	1,750.00	1,750.00	0.00
Total attendance and social work services	0.00	1,750.00	1,750.00	1,750.00	0.00

WOODBURY HEIGHTS SCHOOL DISTRICT
Budgetary Comparison ARRA Supplementary Schedule
General Fund
For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual Favorable (Unfavorable)
Support services - general administration:					
Salaries	$ 0.00	$ 28,093.55	$ 28,093.55	$ 28,093.55	$ 0.00
Total support services - general administration	0.00	28,093.55	28,093.55	28,093.55	0.00
Support services - school administration:					
Salaries of secretarial and clerical assistants	0.00	8,500.00	8,500.00	8,500.00	0.00
Total support services - school administration	0.00	8,500.00	8,500.00	8,500.00	0.00
Total education stabilization fund	0.00	153,750.00	153,750.00	153,750.00	0.00
Government services fund:					
Resource room/resource center:					
Salaries of teachers	0.00	5,952.00	5,952.00	5,952.00	0.00
Total government services fund	0.00	5,952.00	5,952.00	5,952.00	0.00
Total expenditures	0.00	159,702.00	159,702.00	159,702.00	0.00
Excess (deficiency) of revenues over (under) expenditures	0.00	0.00	0.00	0.00	0.00
Fund balances - July 1	0.00	0.00	0.00	0.00	0.00
Fund balances - June 30	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Other Supplementary Information

WOODBURY HEIGHTS SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2010

	Federal	State	Total
REVENUES:			
Federal sources	$ 173,621.40	$ 0.00	$ 173,621.40
State sources	0.00	316,635.25	316,635.25
Total revenues	$ 173,621.40	$ 316,635.25	$ 490,256.65
EXPENDITURES:			
Instruction:			
Salaries of teachers	$ 24,070.00	$ 0.00	$ 24,070.00
Tuition	27,666.00	0.00	27,666.00
Purchased professional and technical services	0.00	265,530.33	265,530.33
Miscellaneous purchased services	0.00	21,614.52	21,614.52
General supplies	11,255.85	0.00	11,255.85
Total instruction	62,991.85	287,144.85	350,136.70
Support services:			
Employee benefits	62.00	0.00	62.00
Purchased educational services	74,132.00	0.00	74,132.00
Purchased professional and technical services	34,427.75	0.00	34,427.75
Miscellaneous purchased services	1,892.00	29,490.40	31,382.40
General supplies	115.80	0.00	115.80
Total support services	110,629.55	29,490.40	140,119.95
Total expenditures	$ 173,621.40	$ 316,635.25	$ 490,256.65
Excess (deficiency) of revenues over (under) expenditures	$ 0.00	$ 0.00	$ 0.00

WOODBURY HEIGHTS SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Federal
Budgetary Basis
For the Fiscal Year Ended June 30, 2010

	I.D.E.A. - Part B Basic Regular Program	ARRA- I.D.E.A. - Part B Basic Regular Program	Title I	Title II Part A	Title II Part D	Title IV Drug Free Schools and Communities Act	Total
REVENUES:							
Federal sources	$ 101,798.00	$ 47,183.60	$ 13,633.00	$ 9,681.00	$ 115.80	$ 1,210.00	$ 173,621.40
Total revenues	$ 101,798.00	$ 47,183.60	$ 13,633.00	$ 9,681.00	$ 115.80	$ 1,210.00	$ 173,621.40
EXPENDITURES:							
Instruction:							
Salaries of teachers	$ 0.00	$ 1,500.00	$ 13,633.00	$ 7,789.00	$ 0.00	$ 1,148.00	$ 24,070.00
Tuition	27,666.00	0.00	0.00	0.00	0.00	0.00	27,666.00
General supplies	0.00	11,255.85	0.00	0.00	0.00	0.00	11,255.85
Total instruction	27,666.00	12,755.85	13,633.00	7,789.00	0.00	1,148.00	62,991.85
Support services:							
Employee benefits	0.00	0.00	0.00	0.00	0.00	62.00	62.00
Purchased educational services	74,132.00	0.00	0.00	0.00	0.00	0.00	74,132.00
Purchased professional and technical services	0.00	34,427.75	0.00	0.00	0.00	0.00	34,427.75
Miscellaneous purchased services	0.00	0.00	0.00	1,892.00	0.00	0.00	1,892.00
General supplies	0.00	0.00	0.00	0.00	115.80	0.00	115.80
Total support services	74,132.00	34,427.75	0.00	1,892.00	115.80	62.00	110,629.55
Total expenditures	$ 101,798.00	$ 47,183.60	$ 13,633.00	$ 9,681.00	$ 115.80	$ 1,210.00	$ 173,621.40

EXHIBIT E-1b

WOODBURY HEIGHTS SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - State
Budgetary Basis
For the Fiscal Year Ended June 30, 2010

	Auxiliary Services				Handicapped Services					
	Nonpublic Textbooks	Nonpublic Compensatory Education	Nonpublic ESL Program	Nonpublic Transportation	Nonpublic Examination and Classification	Nonpublic Corrective Speech	Nonpublic Supplementary Instruction	Nonpublic Nursing Aid	Nonpublic Home Instruction	Total
REVENUES:										
State sources	$ 21,614.52	$ 104,607.30	$ 978.66	$ 42,570.00	$ 29,065.73	$ 73,530.22	$ 14,335.74	$ 29,490.40	$ 442.68	$ 316,635.25
Total revenues	$ 21,614.52	$ 104,607.30	$ 978.66	$ 42,570.00	$ 29,065.73	$ 73,530.22	$ 14,335.74	$ 29,490.40	$ 442.68	$ 316,635.25
EXPENDITURES:										
Instruction:										
Purchased professional and technical services	$ 0.00	$ 104,607.30	$ 978.66	$ 42,570.00	$ 29,065.73	$ 73,530.22	$ 14,335.74	$ 0.00	$ 442.68	$ 265,530.33
Miscellaneous purchased services	21,614.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,614.52
Total instruction	21,614.52	104,607.30	978.66	42,570.00	29,065.73	73,530.22	14,335.74	0.00	442.68	287,144.85
Support services:										
Purchased professional services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29,490.40	0.00	29,490.40
Total support services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29,490.40	0.00	29,490.40
Total expenditures	$ 21,614.52	$ 104,607.30	$ 978.66	$ 42,570.00	$ 29,065.73	$ 73,530.22	$ 14,335.74	$ 29,490.40	$ 442.68	$ 316,635.25

WOODBURY HEIGHTS SCHOOL DISTRICT
Project Safekeep Enterprise Fund
Statement of Net Assets
June 30, 2010

ASSETS:	
Current assets:	
Cash and cash equivalents	$ 32,339.91
Total current assets	32,339.91
Fixed assets:	
Equipment	2,664.70
Accumulated depreciation	(2,664.70)
Total fixed assets	0.00
Total assets	$ 32,339.91
LIABILITIES AND FUND EQUITY:	
Current liabilities:	
Accounts payable	$ 7,550.00
Total current liabilities	7,550.00
Fund equity:	
Unreserved retained earnings	24,789.91
Total fund equity	24,789.91
Total liabilities and fund equity	$ 32,339.91

WOODBURY HEIGHTS SCHOOL DISTRICT
Project Safekeep Enterprise Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2010

OPERATING REVENUES:		
Local sources:		
Project safekeep fees	$	30,065.90
Total operating revenues		30,065.90
OPERATING EXPENSES:		
Salaries and benefits		24,846.29
Supplies and materials		6,533.61
Non instructional equipment		22,263.58
Total operating expenses		53,643.48
Net income (loss)		(23,577.58)
Retained earnings - July 1		48,367.49
Retained earnings - June 30	$	24,789.91

WOODBURY HEIGHTS SCHOOL DISTRICT
Project Safekeep Enterprise Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2010

Cash flows from operating activities:		
Receipts from customers	$	30,065.90
Payments to employees and employee benefits		(24,846.29)
Payments to suppliers		(21,247.19)
Net cash provided by (used for) operating activities		(16,027.58)
Net increase (decrease) in cash and cash equivalents		(16,027.58)
Cash and cash equivalents - July 1		48,367.49
Cash and cash equivalents - June 30	$	32,339.91

EXHIBIT H-1

WOODBURY HEIGHTS SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Fiduciary Net Assets
June 30, 2010

	Agency		
	Student Activity	Payroll	Total
ASSETS:			
Cash and cash equivalents	$ 4,734.80	$ 16,778.25	$ 21,513.05
Interfund accounts receivable	0.00	2,235.57	2,235.57
Total assets	$ 4,734.80	$ 19,013.82	$ 23,748.62
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Payroll deductions and withholdings	$ 0.00	$ 19,013.82	$ 19,013.82
Due to student groups	4,734.80	0.00	4,734.80
Total liabilities	4,734.80	19,013.82	23,748.62
Total liabilities and fund balances	$ 4,734.80	$ 19,013.82	$ 23,748.62

WOODBURY HEIGHTS SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2010

	Balance July 1, 2009	Cash Receipts	Cash Disbursements	Balance June 30, 2010
Woodbury Heights school fund	$ 3,369.46	$ 3,875.14	$ 2,509.80	$ 4,734.80

EXHIBIT H-4

WOODBURY HEIGHTS SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursement
For the Fiscal Year Ended June 30, 2010

	Balance July 1, 2009	Cash Receipts	Cash Disbursements	Balance June 30, 2010
ASSETS:				
Cash and cash equivalents	$ 17,030.41	$ 2,078,749.88	$ 2,079,002.04	$ 16,778.25
Interfund accounts payable	0.00	2,235.57	0.00	2,235.57
Total assets	$ 17,030.41	$ 2,080,985.45	$ 2,079,002.04	$ 19,013.82
LIABILITIES:				
Payroll deductions and withholdings	$ 17,019.41	$ 837,842.99	$ 835,848.58	$ 19,013.82
Net payroll	0.00	1,240,837.76	1,240,837.76	0.00
Interfund accounts payable	11.00	2,304.70	2,315.70	0.00
Total liabilities	$ 17,030.41	$ 2,080,985.45	$ 2,079,002.04	$ 19,013.82

Statistical Section

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

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

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

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

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.

EXHIBIT J-1

WOODBURY HEIGHTS SCHOOL DISTRICT
Net Assets By Component
Last Seven Fiscal Years
Accrual Basis of Accounting

	2010	2009	2008	2007	2006	2005	2004
Governmental activities:							
Invested in capital assets, net of related debt	$ 326,275.10	$ 304,751.34	$ 382,050.95	$ 338,829.04	$ 367,302.75	$ 263,350.66	$ 231,551.35
Restricted	8,553.69	13,332.00	5,134.27	186,123.86	328,429.06	152,850.10	6,852.23
Unrestricted	123,357.14	153,442.45	147,725.69	171,935.98	80,111.82	56,665.68	222,239.59
Total governmental activities net assets	$ 458,185.93	$ 471,525.79	$ 534,910.91	$ 696,888.88	$ 775,843.63	$ 472,866.44	$ 460,643.17
Business-type activities:							
Invested in capital assets, net of related debt	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	24,789.91	48,367.49	51,272.35	55,654.68	44,547.96	38,133.90	43,428.89
Total business-type activities net assets	$ 24,789.91	$ 48,367.49	$ 51,272.35	$ 55,654.68	$ 44,547.96	$ 38,133.90	$ 43,428.89
District-wide activities:							
Invested in capital assets, net of related debt	$ 326,275.10	$ 304,751.34	$ 382,050.95	$ 338,829.04	$ 367,302.75	$ 263,350.66	$ 231,551.35
Restricted	8,553.69	13,332.00	5,134.27	186,123.86	328,429.06	152,850.10	6,852.23
Unrestricted	148,147.05	201,809.94	198,998.04	227,590.66	124,659.78	94,799.58	265,668.48
Total district-wide activities net assets	$ 482,975.84	$ 519,893.28	$ 586,183.26	$ 752,543.56	$ 820,391.59	$ 511,000.34	$ 504,072.06

EXHIBIT J-2

WOODBURY HEIGHTS SCHOOL DISTRICT
Changes In Net Assets
Last Seven Fiscal Years
Accrual Basis of Accounting

	2010	2009	2008	2007	2006	2005	2004
Expenses:							
Governmental activities:							
Instruction:							
Regular	$ 1,396,780.99	$ 1,391,427.74	$ 1,354,913.04	$ 1,372,907.63	$ 1,365,076.59	$ 1,323,231.96	$ 1,313,857.98
Special edueation	296,012.05	285,630.21	288,694.46	232,054.71	209,510.88	202,846.85	164,258.28
Other instruction	135,262.26	124,959.78	136,636.36	115,776.05	105,864.18	113,791.71	97,446.12
Support services:							
Tuition	289,675.65	224,291.88	226,951.49	232,404.98	80,452.80	98,028.66	120,783.24
Student and instruction related serviees	504,149.61	407,064.21	393,474.08	316,275.62	337,956.01	367,979.43	373,972.25
School administrative services	46,005.92	45,024.90	46,953.34	46,424.64	45,078.30	44,574.57	45,093.16
General and business administrative services	258,360.14	264,603.68	262,816.79	259,314.61	246,829.07	231,720.32	236,717.06
Plant operations and maintenanee	180,754.18	190,042.22	189,742.71	207,741.27	194,294.25	193,379.15	211,101.78
Pupil transportation	86,186.41	88,168.21	80,643.36	70,221.92	47,949.76	35,555.94	59,406.54
Unallocated benefits	597,103.48	577,448.82	797,649.82	763,940.43	629,607.50	566,050.22	540,087.44
Unallocated depreciation	42,381.48	40,380.37	45,638.22	34,811.55	34,493.92	29,842.14	25,406.27
Total governmental activities expenses	3,832,672.17	3,639,042.02	3,824,113.67	3,651,873.41	3,297,113.26	3,207,000.95	3,188,130.12
Business-type activities:							
Latchkey	53,643.48	37,622.56	41,175.93	24,386.08	22,858.14	41,551.63	24,715.99
Total business-type activities expenses	53,643.48	37,622.56	41,175.93	24,386.08	22,858.14	41,551.63	24,715.99
Total distriet expenses	$ 3,886,315.65	$ 3,676,664.58	$ 3,865,289.60	$ 3,676,259.49	$ 3,319,971.40	$ 3,248,552.58	$ 3,212,846.11
Revenues:							
Governmental activities:							
Charges for services:							
Instruction (tuition)	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Pupil transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central and other support services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating grants and contributions	710,098.93	651,276.62	838,693.01	819,290.21	686,059.67	636,905.34	670,024.31
Capital grants and eontributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total governmental activities revenues	710,098.93	651,276.62	838,693.01	819,290.21	686,059.67	636,905.34	670,024.31
Business-type activities:							
Charges for services:							
Latchkey	30,065.90	34,717.70	36,793.60	35,492.80	29,272.20	36,256.64	27,636.24
Operating grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities revenues	30,065.90	34,717.70	36,793.60	35,492.80	29,272.20	36,256.64	27,636.24
Total district revenues	$ 740,164.83	$ 685,994.32	$ 875,486.61	$ 854,783.01	$ 715,331.87	$ 673,161.98	$ 697,660.55

EXHIBIT J-2
(Concluded)

WOODBURY HEIGHTS SCHOOL DISTRICT
Changes In Net Assets
Last Seven Fiscal Years
Accrual Basis of Accounting

	2010	2009	2008	2007	2006	2005	2004
Net (expenses)/revenues:							
Governmental activities	$ (3,122,573.24)	$ (2,987,765.40)	$ (2,985,420.66)	$ (2,832,583.20)	$ (2,611,053.59)	$ (2,570,095.61)	$ (2,518,105.81)
Business-type activities	(23,577.58)	(2,904.86)	(4,382.33)	11,106.72	6,414.06	(5,294.99)	2,920.25
Total district-wide net expenses	$ (3,146,150.82)	$ (2,990,670.26)	$ (2,989,802.99)	$ (2,821,476.48)	$ (2,604,639.53)	$ (2,575,390.60)	$ (2,515,185.56)
General revenues and other changes in net assets:							
Governmental aetivities:							
Property taxes levied for general purposes, net	$ 2,016,745.00	$ 1,919,233.00	$ 1,740,439.00	$ 1,740,438.96	$ 1,844,810.00	$ 1,598,749.00	$ 1,651,657.00
Federal and state aid not restricted	1,063,928.00	1,002,608.00	1,039,940.00	971,020.10	1,048,861.40	975,747.00	944,206.00
Tuition	0.00	0.00	0.00	2,100.00	0.00	0.00	0.00
Investment earnings	1,568.46	2,092.38	15,325.12	29,750.96	19,904.73	2.00	1.00
Miscellaneous income	31,274.24	2,100.00	23,000.13	543.71	1,934.57	9,584.16	6,749.99
Fixed assets:							
Fixed asset transaction	0.00	0.00	0.00	5,047.44	0.00	0.00	(67,564.52)
Long-term debt:							
Lease payment and adjustments	0.00	0.00	1,869.33	0.00	0.00	0.00	7,420.45
Compensated absences (increase) reduction	(4,282.32)	(1,653.10)	2,869.11	4,782.38	(1,479.92)	(1,763.28)	10,060.27
Total governmental activities	3,109,233.38	2,924,380.28	2,823,442.69	2,753,683.55	2,914,030.78	2,582,318.88	2,552,530.19
Business-type activities:							
Investment earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide activities	$ 3,109,233.38	$ 2,924,380.28	$ 2,823,442.69	$ 2,753,683.55	$ 2,914,030.78	$ 2,582,318.88	$ 2,552,530.19
Change in net assets:							
Governmental activities	$ (13,339.86)	$ (63,385.12)	$ (161,977.97)	$ (78,899.65)	$ 302,977.19	$ 12,223.27	$ 34,424.38
Business-type activities	(23,577.58)	(2,904.86)	(4,382.33)	11,106.72	6,414.06	(5,294.99)	2,920.25
Total district-wide	$ (36,917.44)	$ (66,289.98)	$ (166,360.30)	$ (67,792.93)	$ 309,391.25	$ 6,928.28	$ 37,344.63

EXHIBIT J-3

WOODBURY HEIGHTS SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Seven Fiscal Years
Modified Accrual Basis of Accounting

	2010	2009	2008	2007	2006	2005	2004
General fund:							
Reserved	$ 8,553.69	$ 13,332.00	$ 5,134.27	$ 186,123.86	$ 382,859.98	$ 187,224.72	$ 153,806.86
Unreserved	164,558.70	153,442.45	182,991.83	171,935.98	68,598.53	63,728.77	114,959.39
Total general fund	$ 173,112.39	$ 166,774.45	$ 188,126.10	$ 358,059.84	$ 451,458.51	$ 250,953.49	$ 268,766.25
All other governmental funds:							
Reserved	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Unreserved, reported in:							
Special revenue fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital projects fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt service fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Permanent fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total all other governmental funds	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

EXHIBIT J-4

WOODBURY HEIGHTS SCHOOL DISTRICT
Changes In Fund Balances - Governmental Funds
Last Seven Fiscal Years
Modified Accrual Basis of Accounting

	2010	2009	2008	2007	2006	2005	2004
Revenues:							
Tax levy	$ 2,016,745.00	$ 1,919,233.00	$ 1,740,439.00	$ 1,740,438.96	$ 1,844,810.00	$ 1,598,749.00	$ 1,651,657.00
Tuition	0.00	0.00	0.00	2,100.00	0.00	0.00	0.00
Interest earnings	1,568.46	2,092.38	15,325.12	0.00	1.00	2.00	1.00
Miscellaneous	31,274.24	2,100.00	23,000.13	30,294.67	21,838.30	9,584.16	6,749.99
State sources	1,440,703.53	1,524,188.34	1,760,065.94	1,639,543.82	1,633,032.72	1,541,697.27	1,501,563.78
Federal sources	333,323.40	129,696.28	118,567.07	147,711.39	101,888.35	70,955.07	112,666.53
Total revenues	3,823,614.63	3,577,310.00	3,657,397.26	3,560,088.84	3,601,570.37	3,220,987.50	3,272,638.30
Expenditures:							
Instruction:							
Regular instruction	1,396,780.99	1,391,427.74	1,354,913.04	1,372,907.63	1,365,076.59	1,323,231.96	1,313,857.98
Special education instruction	296,012.05	285,630.21	288,694.46	232,054.71	209,510.88	202,846.85	164,258.28
Other instruction	135,262.26	124,959.78	136,636.36	115,776.05	105,864.18	113,791.71	97,446.12
Support services:							
Tuition	289,675.65	224,291.88	226,951.49	232,404.98	80,452.80	98,028.66	120,783.24
Student and instruction related services	504,149.61	407,064.21	393,474.08	316,275.62	337,956.01	367,979.43	373,972.25
School administrative services	46,005.92	45,024.90	46,953.34	46,424.64	45,078.30	44,574.57	45,093.16
Other administrative services	258,360.14	264,603.68	262,816.79	259,314.61	246,829.07	231,720.32	236,717.06
Plant operations and maintenance	180,754.18	190,042.22	189,742.71	207,741.27	194,294.25	193,379.15	211,101.78
Pupil transportation	86,186.41	88,168.21	80,643.36	70,221.92	47,949.76	35,555.94	59,406.54
Unallocated benefits	597,103.48	577,448.82	797,649.82	763,940.43	629,607.50	566,050.22	540,087.44
Capital outlay	26,986.00	0.00	48,855.55	39,425.65	138,446.01	61,641.45	18,603.41
Total expenditures	3,817,276.69	3,598,661.65	3,827,331.00	3,656,487.51	3,401,065.35	3,238,800.26	3,181,327.26
Excess (deficieney) of revenues over (under) expenditures	6,337.94	(21,351.65)	(169,933.74)	(96,398.67)	200,505.02	(17,812.76)	91,311.04
Net change in fund balances	$ 6,337.94	$ (21,351.65)	$ (169,933.74)	$ (96,398.67)	$ 200,505.02	$ (17,812.76)	$ 91,311.04

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

Source: Distriet records.

EXHIBIT J-5

WOODBURY HEIGHTS SCHOOL DISTRICT
General Fund Other Local Revenue By Source
Last Ten Fiscal Years
Modified Accrual Basis of Accounting

Fiscal Year Ended June 30	Tuition	Interest On Investments	Insurance/ Litigation Settlements	Tuition Adjustments	Room Rental	Donations	Miscellaneous	Total
2010	$ 0.00	$ 1,568.46	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 31,274.24	$ 32,842.70
2009	0.00	2,092.38	0.00	0.00	0.00	0.00	2,100.00	4,192.38
2008	0.00	15,325.12	0.00	4,300.00	0.00	2,728.00	15,972.13	38,325.25
2007	2,100.00	30,063.32	0.00	0.00	0.00	0.00	231.35	32,394.67
2006	0.00	19,904.73	0.00	0.00	0.00	0.00	1,934.57	21,839.30
2005	0.00	6,895.09	0.00	0.00	0.00	0.00	2,691.07	9,586.16
2004	0.00	2,007.73	0.00	0.00	100.00	805.10	3,838.16	6,750.99
2003	6,310.66	3,628.59	0.00	0.00	100.00	1,191.70	1,344.56	12,575.51
2002	922.00	5,578.33	0.00	0.00	6,500.00	725.00	6,770.38	20,495.71
2001	8,595.97	21,239.86	50.00	0.00	6,871.50	800.00	5,089.53	42,646.86

Source: District records.

EXHIBIT J-6

WOODBURY HEIGHTS SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Vacant Land	Residential	Farm - Regular	Farm - Qualified	Commercial	Industrial	Apartments	Total Assessed Value	Less: Tax Exempt Property	Public Utilities*	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate**
2010	$ 2,494,600.00	$ 153,800,500.00	$ 0.00	$ 0.00	$ 28,775,200.00	$ 8,911,800.00	$ 507,200.00	$ 194,489,300.00	$ 0.00	$ 309,055.00	$ 194,798,355.00	$ 308,981,124.00	$ 1.0110
2009	2,826,400.00	153,152,000.00	0.00	0.00	28,829,500.00	8,911,800.00	507,200.00	194,226,900.00	0.00	313,049.00	194,539,949.00	291,598,734.00	0.9410
2008	3,095,900.00	151,837,500.00	0.00	0.00	29,895,900.00	8,911,800.00	507,200.00	194,248,300.00	0.00	325,845.00	194,574,145.00	267,884,350.00	0.8940
2007	3,183,700.00	151,021,900.00	0.00	0.00	29,867,900.00	8,911,800.00	507,200.00	193,492,500.00	0.00	343,931.00	193,836,431.00	232,949,437.00	0.9250
2006	3,346,800.00	149,578,300.00	0.00	0.00	29,634,200.00	8,911,800.00	507,200.00	191,978,300.00	0.00	420,219.00	192,398,519.00	210,205,182.00	0.8950
2005	3,347,000.00	148,653,400.00	0.00	0.00	29,931,000.00	9,458,400.00	507,200.00	191,897,000.00	0.00	478,616.00	192,375,616.00	196,073,399.00	0.8450
2004	3,428,600.00	148,123,100.00	0.00	0.00	28,926,700.00	9,458,400.00	507,200.00	190,444,000.00	0.00	360,792.00	190,804,792.00	180,433,973.00	0.8420
2003	2,162,800.00	96,198,100.00	0.00	0.00	22,778,200.00	6,848,900.00	498,500.00	128,486,500.00	0.00	296,226.00	128,782,726.00	177,623,786.00	1.1390
2002	2,124,900.00	95,397,200.00	0.00	0.00	22,824,200.00	7,055,900.00	358,800.00	127,761,000.00	0.00	309,441.00	128,070,441.00	171,113,552.00	1.0660
2001	2,196,600.00	94,574,200.00	0.00	0.00	21,015,200.00	7,052,700.00	337,300.00	125,176,000.00	0.00	318,147.00	125,494,147.00	161,187,473.00	1.0460

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

Source: Municipal tax assessor.

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

**Tax rates are per $100.

WOODBURY HEIGHTS SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Per $100 of Assessed Valuation
Last Ten Fiscal Years

Fiscal Year Ended June 30	District's Direct Rate: Basic Rate*	District's Direct Rate: (From J-6) Total Direct School Tax Rate	Overlapping Rates: Regional High School	Overlapping Rates: Municipality	Overlapping Rates: County	Total Direct And Overlapping Tax Rate
2010	$ 1.011	$ 1.011	$ 1.423	$ 1.151	$ 0.938	$ 4.523
2009	0.941	0.941	1.355	1.075	0.888	4.259
2008	0.894	0.894	1.311	0.976	0.819	4.000
2007	0.925	0.925	1.234	0.881	0.764	3.804
2006	0.895	0.895	1.126	0.831	0.749	3.601
2005	0.845	0.845	1.017	0.800	0.681	3.343
2004	0.842	0.842	0.932	0.803	0.627	3.204
2003	1.139	1.139	1.283	0.963	0.915	4.300
2002	1.066	1.066	1.124	0.919	0.888	3.997
2001	1.046	1.046	1.001	0.868	0.830	3.745

Source: Municipal Tax Collector.

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

*The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2010 Taxable Assessed Value	2010 Percentage Of Total District Net Assessed Value	2001 Taxable Assessed Value	2001 Percentage Of Total District Net Assessed Value
Woodbury Heights Development Inc	$ 3,900,000	2.00%		
Oak Valley Plaza, Inc.	2,950,000	1.52%		
WaWa, Inc.	1,701,500	0.87%		
Phalines & Gligor, LLC	1,572,500	0.81%		
Della Polla	1,178,600	0.61%	Not Available	
McDonalds Corporation	1,117,300	0.57%		
HCD Realty, LLC	1,094,500	0.56%		
Jonathan Advisors, L.P.	1,064,100	0.55%		
Heights Plaza, LLC	886,700	0.46%		
Karolidis	874,000	0.45%		
Total	$ 16,339,200	8.40%		

Source: Municipal Tax Assessor.

WOODBURY HEIGHTS SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of the Levy*		Collections In Subsequent Year
		Current Amount	Percentage Of Levy	
2010	$ 2,016,745.00	$ 2,016,745.00	100.00%	$ 0.00
2009	1,919,233.00	1,919,233.00	100.00%	0.00
2008	1,740,439.00	1,740,439.00	100.00%	0.00
2007	1,844,810.00	1,844,810.00	100.00%	0.00
2006	1,598,749.00	1,598,749.00	100.00%	0.00
2005	1,651,657.00	1,651,657.00	100.00%	0.00
2004	1,559,519.00	1,559,519.00	100.00%	0.00
2003	1,375,745.00	1,375,745.00	100.00%	0.00
2002	1,356,059.00	1,356,059.00	100.00%	0.00
2001	1,267,892.00	1,267,892.00	100.00%	0.00

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

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Ratios Of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities Capital Leases	Total District	Percentage Of Personal Income*	Per Capita*
2010	$ 0.00	$ 0.00	Not Available	$ 0
2009	0.00	0.00	0.00%	0
2008	0.00	0.00	0.00%	0
2007	1,869.33	1,869.33	0.00%	1
2006	1,869.33	1,869.33	0.00%	1
2005	11,031.85	11,031.85	0.01%	4
2004	18,452.30	18,452.30	0.02%	6
2003	25,872.75	25,872.75	0.03%	9
2002	33,293.20	33,293.20	0.04%	11
2001	40,281.79	40,281.79	0.05%	13

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

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

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Net General Bonded Debt Outstanding	Percentage Of Actual Taxable Value Of Property*	Per Capita**
2010	$ 0.00	$ 0.00	0.00%	$ 0
2009	0.00	0.00	0.00%	0
2008	0.00	0.00	0.00%	0
2007	0.00	0.00	0.00%	0
2006	0.00	0.00	0.00%	0
2005	0.00	0.00	0.00%	0
2004	0.00	0.00	0.00%	0
2003	0.00	0.00	0.00%	0
2002	0.00	0.00	0.00%	0
2001	0.00	0.00	0.00%	0

*See Exhibit J-6 for property tax data.

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2010

	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share Of Overlapping Debt
Debt repaid with property taxes:			
Municipality	$ 3,036,824.00	100.000%	$ 3,036,824.00
County general obligation debt	328,205,409.35	1.03%	3,370,941.44
Subtotal - overlapping debt			6,407,765.44
District's direct debt			0.00
Total direct and overlapping debt			$ 6,407,765.44

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

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

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal debt margin calculation for fiscal year 2010:	
Equalized valuation basis:	
2009	$ 294,101,467.00
2008	306,787,079.00
2007	289,879,570.00
	$ 890,768,116.00
Average equalized valuation of taxable property	$ 296,922,705.33
Debt limit (2.5% of average equalized value)*	$ 7,423,067.63
Total net debt applicable to limit	0.00
Legal debt margin	$ 7,423,067.63

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limit	$ 7,423,067.63	$ 7,182,251.54	$ 6,538,436.65	$ 5,859,649.49	$ 5,257,067.95	$ 4,828,550.13	$ 4,549,533.98	$ 4,325,001.78	$ 4,177,301.23	$ 4,022,773.75
Total net debt applicable to limit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal debt margin	$ 7,423,067.63	$ 7,182,251.54	$ 6,538,436.65	$ 5,859,649.49	$ 5,257,067.95	$ 4,828,550.13	$ 4,549,533.98	$ 4,325,001.78	$ 4,177,301.23	$ 4,022,773.75
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population*	Personal Income**	Per Capita Personal Income***	Unemployment Rate****
2009	3,053	$ Not Available	$ Not Available	6.90%
2008	3,056	119,306,240.00	39,040.00	4.60%
2007	3,046	114,998,684.00	37,754.00	3.60%
2006	3,029	110,258,629.00	36,401.00	3.90%
2005	3,008	103,393,984.00	34,373.00	3.60%
2004	3,012	99,058,656.00	32,888.00	2.10%
2003	3,004	94,076,268.00	31,317.00	2.40%
2002	2,995	92,024,370.00	30,726.00	2.30%
2001	2,987	89,896,752.00	30,096.00	1.70%
2000	2,987	84,340,932.00	28,236.00	1.60%

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

**Personal income has been estimated based upon the municipal population and per capita personal income presented.

***Per capita personal income by municipality estimated based upon the 2000 census published by the U.S. Bureau of Economic Analysis.

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

	2010		2001	
Employer	Employees	Percentage Of Total Municipal Employment	Employees	Percentage Of Total Municipal Employment
Underwood Memorial Hospital	1,825	0.00%	N/A	N/A
Washington Township School District	1,504	0.00%	N/A	N/A
County of Gloucester	1,500	0.00%	N/A	N/A
Rowan University	1,300	0.00%	N/A	N/A
Kennedy Hospital	1,200	0.00%	N/A	N/A
Missa Bay, L.L.C.	950	0.00%	N/A	N/A
U.S. Foodservices	800	0.00%	N/A	N/A
Monroe Township School District	714	0.00%	N/A	N/A
Godwin Pumps	640	0.00%	N/A	N/A
Valero	640	0.00%	N/A	N/A
Total	11,073	0.000%	0	0.000%

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

EXHIBIT J-16

WOODBURY HEIGHTS SCHOOL DISTRICT
Full-Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Instruction:										
Regular	20	20	20	20	19	20	17	17	16	19
Special education	3	3	3	2	2	3	3	3	3	2
Support services:										
General administration	0	1	1	1	1	1	1	1	1	1
School administrative services	2	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	2	2	2	2	2	2	2	2	2	2
Other support services	1	1	1	1	1	4	4	4	4	3
Total	28	29	29	28	27	32	29	29	28	29

Source: District personnel records.

EXHIBIT J-17

WOODBURY HEIGHTS SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures*	Cost Per Pupil	Percentage Change	Teaching Staff**	Pupil/Teacher Ratio Elementary	Average Daily Enrollment***	Average Daily Attendance***	Percentage Change In Average Daily Enrollment	Student Attendance Percentage
2010	236	$ 3,790,290.69	$ 16,061	7.56%	20	11.8:1	235.2	224.3	0.09%	95.37%
2009	241	3,598,661.65	14,932	-9.50%	20	12.1:1	235.0	224.3	0.69%	95.45%
2008	229	3,778,475.45	16,500	10.85%	20	11.5:1	233.4	223.7	-4.34%	95.84%
2007	243	3,617,061.86	14,885	9.04%	20	12.2:1	244.0	236.7	2.09%	97.01%
2006	239	3,262,619.34	13,651	9.56%	19	12.6:1	239.0	231.0	-6.97%	96.65%
2005	255	3,177,158.81	12,459	1.64%	20	12.8:1	256.9	246.9	1.66%	96.11%
2004	258	3,162,723.85	12,259	3.40%	17	15.2:1	252.7	243.5	-7.30%	96.36%
2003	264	3,130,009.61	11,856	16.70%	17	15.5:1	272.6	261.6	1.08%	95.96%
2002	285	2,895,435.96	10,159	5.41%	16	17.8:1	269.7	259.6	-2.57%	96.26%
2001	297	2,862,600.97	9,638	9.24%	19	15.6:1	276.8	265.1	1.24%	95.77%

Source: District's records.

Note: Enrollment based on annual October district count.

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

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

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

EXHIBIT J-18

WOODBURY HEIGHTS SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
District buildings:										
Elementary:										
Woodbury Heights Elementary School (N/A):										
Square feet	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671
Capacity (students)	259	259	259	259	259	259	259	259	259	259
Enrollment	236	241	229	243	239	255	258	264	285	297

Number of schools at June 30, 2010:
Elementary = 1

Source: District facilities office.

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

WOODBURY HEIGHTS SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

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

School Facilities*	Project Number	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Woodbury Heights Elementary School	N/A	$ 19,831.38	$ 20,189.84	$ 18,345.98	$ 19,170.00	$ 15,516.70	$ 15,597.81	$ 21,669.61	$ 19,635.66	$ 8,400.00	$ 2,340.00
Total school facilities		19,831.38	20,189.84	18,345.98	19,170.00	15,516.70	15,597.81	21,669.61	19,635.66	8,400.00	2,340.00
Grand total		$ 19,831.38	$ 20,189.84	$ 18,345.98	$ 19,170.00	$ 15,516.70	$ 15,597.81	$ 21,669.61	$ 19,635.66	$ 8,400.00	$ 2,340.00

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

Source. District records.

WOODBURY HEIGHTS SCHOOL DISTRICT
Insurance Schedule
June 30, 2010
Unaudited

	Coverage	GCSSDJIF Self Insured Retention	Deductible
School package policy - Gloucester, Cumberland, Salem School Districts Joint Insurance Fund*:			
Property	$ 150,000,000.00	$ 200,000.00	$ 500.00
General liability	10,000,000.00	150,000.00	None
Automobile	10,000,000.00	150,000.00	None
Boiler and machinery	100,000,000.00	None	1,000.00
Crime	500,000.00	200,000.00	500.00
Educator's legal liability	10,000,000.00	100,000.00	None
Worker's compensation and employers' liability	Statutory	250,000.00	None
* Excess carriers involved: Property, crime, general liability, automobile liability, workers' compensation, educator's legal liability		SPELLJIF	
Public employees' faithful performance blanket position bond - Selective Insurance Company and Western Surety			
Board secretary/business administrator	20,000.00	-	N/A
Treasurer of school monies	135,000.00	-	N/A

Source: District records.

Single Audit Section

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

PCPS
THE AICPA ALLIANCE FOR CPA FIRMS

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

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

Honorable President and
Members of the Board of Education
Woodbury Heights School District
County of Gloucester
Woodbury Heights, New Jersey

I have audited the financial statements of the Board of Education of the Woodbury Heights School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued my report thereon dated October 26, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board of Education of the Woodbury Heights School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Board of Education of the Woodbury Heights School District's financial statements that is more than inconsequential will not be prevented or detected by the Board of Education of the Woodbury Heights School District's internal control.

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

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. I noted certain matters that I reported to the Board of Education of the Woodbury Heights School District in a separate report entitled Auditor's Management Report On Administrative Findings - Financial, Compliance, and Performance dated October 26, 2010.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education of the Woodbury Heights School District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. I noted certain matters that I reported to the Board of Education of the Woodbury Heights School District in a separate report entitled Auditor's Management Report on Administrative Findings - Financial, Compliance, and Performance dated October 26, 2010.

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP

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

October 26, 2010

Ball
Buckley &
Seher, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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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

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

Honorable President and
Members of the Board of Education
Woodbury Heights School District
County of Gloucester
Woodbury Heights, New Jersey

Compliance

I have audited the compliance of the Board of Education of the Woodbury Heights School District, County of Gloucester, State of New Jersey with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the fiscal year ended June 30, 2010. The Board of Education of the Woodbury Heights School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major state programs is the responsibility of the Board of Education of the Woodbury Heights School District's management. My responsibility is to express an opinion on the Board of Education of the Woodbury Heights School District's compliance based on my audit.

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

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In my opinion, the Board of Education of the Woodbury Heights School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the fiscal year ended June 30, 2010.

Internal Control Over Compliance

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

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board of Education of the Woodbury Heights School District's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the Board of Education of the Woodbury Heights School District's internal control.

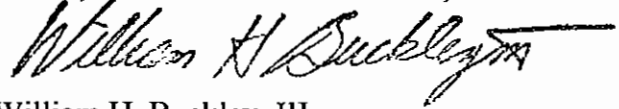
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the Board of Education of the Woodbury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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. The Board of Education of the Woodbury Heights School District's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit the Board of Education of the Woodbury Heights School District's response and, accordingly, I express no opinion on it.

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

Respectfully submitted,

BALL, BUCKLEY AND SEHER, LLP



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

October 26, 2010

WOODBURY HEIGHTS 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	Award Amount	Balance at June 30, 2009	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' 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 Education													
Passed-Through State Department of Education.													
General Fund.													
ARRA - ESF	84.394	N/A	07/01/09 - 06/30/10	$ 153,750.00	$ 0.00	$ 0.00	$ 141,621.16	$ 153,750.00	$ 0.00	$ 0.00	$ (12,128.84)	$ 0.00	$ 0.00
ARRA - GSF	84.397	N/A	07/01/09 - 06/30/10	5,952.00	0.00	0.00	5,482.47	5,952.00	0.00	0.00	(469.53)	0.00	0.00
Total General Fund					0.00	0.00	147,103.63	159,702.00	0.00	0.00	(12,598.37)	0.00	0.00
U.S. Department of Education													
Passed-Through State Department of Education.													
Special Revenue Fund													
Title I	84.010A	NCLB587009	09/01/08-08/31/09	11,522.00	(576.00)	0.00	0.00	0.00	0.00	0.00	(576.00)	0.00	0.00
Title I	84.010A	NCLB587010	09/01/09-08/31/10	17,221.00	0.00	0.00	9,543.00	13,633.00	0.00	0.00	(4,090.00)	0.00	0.00
Title I - ARRA	84.389	ARRA587010	09/01/09-08/31/10	5,687.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Title II - Part A	84.281	NCLB587009	09/01/08-08/31/09	12,101.00	(3,546.00)	0.00	0.00	0.00	0.00	0.00	(3,546.00)	0.00	0.00
Title II - Part A	84.281	NCLB587010	09/01/09-08/31/10	12,381.00	0.00	0.00	5,692.00	9,681.00	0.00	0.00	(3,989.00)	0.00	0.00
Title II - Part D	84.281	NCLB587009	09/01/08-08/31/09	96.00	(96.00)	0.00	0.00	0.00	0.00	0.00	(96.00)	0.00	0.00
Title II - Part D	84.281	NCLB587010	09/01/09-08/31/10	175.00	0.00	0.00	0.00	115.80	0.00	0.00	(115.80)	0.00	0.00
Title IV	84.188	NCLB587009	09/01/08-08/31/09	1,258.00	(1,258.00)	0.00	0.00	0.00	0.00	0.00	(1,258.00)	0.00	0.00
Title IV	84.188	NCLB587010	09/01/09-08/31/10	1,278.00	0.00	0.00	1,108.00	1,210.00	0.00	0.00	(102.00)	0.00	0.00
I.D.E.A. Part B, basic regular	84.027	IDEA587009	09/01/08-08/31/09	99,953.00	(98,483.28)	0.00	98,613.28	0.00	(130.00)	0.00	0.00	0.00	0.00
I.D.E.A Part B, basic regular	84.027	IDEA587010	09/01/09-08/31/10	101,798.00	0.00	0.00	76,294.00	101,798.00	0.00	0.00	(25,504.00)	0.00	0.00
I.D.E.A. Part B, basic regular - ARRA	84.391	ARRA587010	09/01/09-08/31/10	129,634.00	0.00	0.00	16,279.00	47,183.60	0.00	0.00	(30,904.60)	0.00	0.00
I.D.E.A Part B, preschool	84.027	IDEA587009	09/01/08-08/31/09	5,159.00	(5,159.00)	0.00	5,159.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A Part B, preschool	84.027	IDEA587010	09/01/09-08/31/10	5,184.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, preschool - ARRA	84.391	ARRA587010	09/01/09-08/31/10	4,690.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Special Revenue Fund					(109,118.28)	0.00	212,688.28	173,621.40	(130.00)	0.00	(70,181.40)	0.00	0.00
Total U.S. Department of Education					(109,118.28)	0.00	359,791.91	333,323.40	(130.00)	0.00	(82,779.77)	0.00	0.00
Total federal financial awards					$ (109,118.28)	$ 0.00	$ 359,791.91	$ 333,323.40	$ (130.00)	$ 0.00	$ (82,779.77)	$ 0.00	$ 0.00

See accompanying notes to schedules of financial assistance.

SCHEDULE B

WOODBURY HEIGHTS SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2010

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2009	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2010 (Accounts Receivable)	Balance at June 30, 2010 Deferred Revenue	Balance at June 30, 2010 Due to Grantor	Memo Budgetary Receivable	Memo Cumulative Total Expenditures
General fund:													
Equalization aid	09-495-034-5120-078	07/01/08-06/30/09	818,482.00	$ (68,142.58)	$ 0.00	$ 68,142.58	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 818,482.00
Equalization aid	10-495-034-5120-078	07/01/09-06/30/10	720,460.00	0.00	0.00	663,625.25	720,460.00	0.00	(56,834.75)	0.00	0.00	56,834.75	720,460.00
Special education categorical aid	09-495-034-5120-089	07/01/08-06/30/09	110,329.00	(9,185.42)	0.00	9,185.42	0.00	0.00	0.00	0.00	0.00	0.00	110,329.00
Special education categorical aid	10-495-034-5120-089	07/01/09-06/30/10	120,734.00	0.00	0.00	111,209.69	120,734.00	0.00	(9,524.31)	0.00	0.00	9,524.31	120,734.00
Transportation aid	09-495-034-5120-014	07/01/08-06/30/09	20,253.00	(1,686.16)	0.00	1,686.16	0.00	0.00	0.00	0.00	0.00	0.00	20,253.00
Transportation aid	10-495-034-5120-014	07/01/09-06/30/10	27,120.00	0.00	0.00	24,980.59	27,120.00	0.00	(2,139.41)	0.00	0.00	2,139.41	27,120.00
Security aid	09-495-034-5120-084	07/01/08-06/30/09	16,301.00	(1,357.14)	0.00	1,357.14	0.00	0.00	0.00	0.00	0.00	0.00	16,301.00
Security aid	10-495-034-5120-084	07/01/09-06/30/10	19,473.00	0.00	0.00	17,936.84	19,473.00	0.00	(1,536.16)	0.00	0.00	1,536.16	19,473.00
Adjustment aid	09-495-034-5120-085	07/01/08-06/30/09	74,983.00	(6,242.70)	0.00	6,242.70	0.00	0.00	0.00	0.00	0.00	0.00	74,983.00
Extraordinary aid	09-495-034-5120-044	07/01/08-06/30/09	11,706.00	(11,706.00)	0.00	11,706.00	0.00	0.00	0.00	0.00	0.00	0.00	11,706.00
Extraordinary aid	10-495-034-5120-044	07/01/09-06/30/10	20,683.00	0.00	0.00	0.00	20,683.00	0.00	(20,683.00)	0.00	0.00	20,683.00	20,683.00
On-behalf T.P.A.F. pension contributions	10-495-034-5095-001	07/01/09-06/30/10	103,490.00	0.00	0.00	103,490.00	103,490.00	0.00	0.00	0.00	0.00	0.00	103,490.00
Reimbursed T.P.A.F. social security contributions	09-495-034-5095-002	07/01/08-06/30/09	118,040.34	(6,041.38)	0.00	6,041.38	0.00	0.00	0.00	0.00	0.00	0.00	118,040.34
Reimbursed T.P.A.F. social security contributions	10-495-034-5095-002	07/01/09-06/30/10	116,352.28	0.00	0.00	110,531.47	116,352.28	0.00	(5,820.81)	0.00	0.00	5,820.81	116,352.28
Total general fund				(104,361.38)	0.00	1,136,135.22	1,328,312.28	0.00	(96,538.44)	0.00	0.00	96,538.44	2,298,406.62
Special revenue fund:													
New Jersey nonpublic aid:													
Textbook aid	10-100-034-5120-064	07/01/09-06/30/10	25,064.00	0.00	0.00	25,064.00	21,614.52	0.00	0.00	0.00	3,449.48	0.00	21,614.52
Nursing aid	09-100-034-5120-070	07/01/08-06/30/09	30,031.00	617.80	0.00	0.00	0.00	617.80	0.00	0.00	0.00	0.00	29,413.20
Nursing aid	10-100-034-5120-070	07/01/09-06/30/10	29,722.00	0.00	0.00	29,722.00	29,490.40	0.00	0.00	0.00	231.60	0.00	29,490.40
Auxiliary services:													
Compensatory education	09-100-034-5120-067	07/01/08-06/30/09	131,384.00	40,809.00	0.00	0.00	0.00	40,809.00	0.00	0.00	0.00	0.00	90,575.00
Compensatory education	10-100-034-5120-067	07/01/09-06/30/10	116,123.00	0.00	0.00	116,123.00	104,607.30	0.00	0.00	0.00	11,515.70	0.00	104,607.30
English as second language	10-100-034-5120-067	07/01/09-06/30/10	1,957.00	0.00	0.00	1,957.00	978.66	0.00	0.00	0.00	978.34	0.00	978.66
Transportation	10-100-034-5120-067	07/01/09-06/30/10	42,570.00	0.00	0.00	42,570.00	42,570.00	0.00	0.00	0.00	0.00	0.00	42,570.00
Home instruction	09-100-034-5120-067	07/01/08-06/30/09	999.60	(857.00)	0.00	857.00	0.00	0.00	0.00	0.00	0.00	0.00	857.00
Home instruction	10-100-034-5120-067	07/01/09-06/30/10	442.68	0.00	0.00	0.00	442.68	0.00	(442.68)	0.00	0.00	442.68	442.68
Handicapped services:													
Supplementary instruction	09-100-034-5120-066	07/01/08-06/30/09	13,051.00	0.20	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	13,050.80
Supplementary instruction	10-100-034-5120-066	07/01/09-06/30/10	15,929.00	0.00	0.00	15,929.00	14,335.74	0.00	0.00	0.00	1,593.26	0.00	14,335.74
Examination and classification	09-100-034-5120-066	07/01/08-06/30/09	30,145.00	1,326.00	0.00	0.00	0.00	1,326.00	0.00	0.00	0.00	0.00	28,819.00
Examination and classification	10-100-034-5120-066	07/01/09-06/30/10	41,853.00	0.00	0.00	41,853.00	29,065.73	0.00	0.00	0.00	12,787.27	0.00	29,065.73
Corrective speech	09-100-034-5120-066	07/01/08-06/30/09	75,330.00	930.00	0.00	0.00	0.00	930.00	0.00	0.00	0.00	0.00	74,400.00
Corrective speech	10-100-034-5120-066	07/01/09-06/30/10	75,324.00	0.00	0.00	75,324.00	73,530.22	0.00	0.00	0.00	1,793.78	0.00	73,530.22
Total special revenue fund				42,826.00	0.00	349,399.00	316,635.25	43,683.00	(442.68)	0.00	32,349.43	442.68	553,750.25
Total state financial assistance				$ (61,535.38)	$ 0.00	$ 1,485,534.22	$ 1,644,947.53	$ 43,683.00	$ (96,981.12)	$ 0.00	$ 32,349.43	$ 96,981.12	$ 2,852,156.87

See accompanying notes to schedules of financial assistance.

WOODBURY HEIGHTS SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2010

NOTE 1 - GENERAL

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

NOTE 2 - BASIS OF ACCOUNTING

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

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $3,981.00 for the general fund and $0.00 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General fund	$ 159,702.00	$ 1,124,068.28	$ 1,283,770.28
Special revenue fund	173,621.40	316,635.25	490,256.65
Total awards and financial assistance	$ 333,323.40	$ 1,440,703.53	$ 1,774,026.93

NOTE 4 - RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 - OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF pension contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 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.

WOODBURY HEIGHTS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2010

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified Opinion

Internal control over financial reporting:

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

2) Significant deficiencies identified that were not considered to be material weaknesses? _____ yes __X__ none reported

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

Federal Awards - No Federal Single Audit Required

Internal Control over compliance:

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

2) Significant deficiencies identified that were not considered to be material weaknesses? _____ yes _____ none reported

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

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

Identification of major programs:

CFDA Numbers(s)	Name of Federal Program or Cluster

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

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

WOODBURY HEIGHTS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2010

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

State Awards

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

Identification of major programs:

GMIS Numbers(s)	Name of State Program
10-495-034-5120-078	Equalization aid
10-495-034-5120-089	Special education categorical aid
10-495-034-5120-084	Security aid

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of Government Auditing Standards.

Finding 10-0

No Current Year Findings.

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

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

Federal and State Awards

Finding 10-0

No Current Year Findings or Questioned Costs.

WOODBURY HEIGHTS SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
JUNE 30, 2010

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

Status of Prior Year Findings

Finding 09-0

There were no prior year audit findings.