

**SYNOPSIS OF AUDIT REPORT FOR PUBLIC DISTRIBUTION**

**MIDDLETOWN TOWNSHIP BOARD OF EDUCATION  
COUNTY OF MONMOUTH**

As required by Title 18A:23-4, the following is a synopsis of the audit of the financial statements and supplementary data of the Governmental Activities for the year ended June 30, 2006.

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	2006	2005
Cash & Cash Equivalents	\$12,867,102	1,320,954	638,064	126,500	613,738	15,566,358	16,994,271
Receivables, Net							21,303
Due From Other Funds	676,170			52,382		728,552	136,446
Receivables From Other Governments	509,752	3,487	304,349			817,588	880,381
Other Receivables	1,008,719	54,534	855,000			1,918,253	764,813
<b>Total Assets</b>	<b>\$15,061,743</b>	<b>1,378,975</b>	<b>1,797,413</b>	<b>178,882</b>	<b>613,738</b>	<b>19,030,751</b>	<b>18,797,214</b>
<b>LIABILITIES &amp; FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts Payable	3,084,344	49,234	55,038			3,188,616	3,563,417
Intergovernmental - Accounts Payable		52,797				52,797	44,720
Other Liabilities	2,931,426	259,787				3,191,213	737,572
Interfund Payable	37,584		688,798			726,382	164,524
Deferred Revenue	556,401	1,017,157				1,573,558	1,172,896
<b>Total Liabilities</b>	<b>6,609,755</b>	<b>1,378,975</b>	<b>743,836</b>			<b>8,732,566</b>	<b>5,683,129</b>
<b>Fund Balances:</b>							
<b>Reserved for:</b>							
Encumbrances	3,018,449		695,962			3,714,411	4,529,639
Excess Surplus	2,091,125					2,091,125	1,329,181
Excess Surplus Designated for Subsequent Year	1,329,181					1,329,181	1,271,088
Excess 2005-2006 Per S1701 I.B.N.R.							1,000,000
							2,031,900
<b>Unreserved - Reported in:</b>							
Unrestricted - Designated for Subsequent Year's Expenditures	234,823			126,500		361,323	413,415
General Fund	1,778,410					1,778,410	1,783,245
Debt Service Fund				52,382		52,382	126,500
Capital Projects Fund			357,615			357,615	22,356
Permanent Fund					613,738	613,738	606,761
<b>Total Fund Balances</b>	<b>8,451,988</b>		<b>1,053,577</b>	<b>178,882</b>	<b>613,738</b>	<b>10,298,185</b>	<b>13,114,085</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$15,061,743</b>	<b>1,378,975</b>	<b>1,797,413</b>	<b>178,882</b>	<b>613,738</b>	<b>19,030,751</b>	<b>18,797,214</b>

**MIDDLETOWN TOWNSHIP BOARD OF EDUCATION  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006  
 (With Comparative Totals for June 30, 2005)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	2006	2005
<b>Revenues:</b>							
Local Tax Levy	\$102,285,049			3,775,363		106,060,412	101,430,317
Tuition Charges	31,351					31,351	8,778
Miscellaneous	1,960,560	260,892	151,385		33,252	2,406,089	2,243,661
State Sources	29,640,113	1,068,572	45,298	1,657,007		32,410,990	31,485,409
Federal Sources	79	3,147,812				3,147,891	3,079,074
<b>Total Revenues</b>	<b>133,917,152</b>	<b>4,477,276</b>	<b>196,683</b>	<b>5,432,370</b>	<b>33,252</b>	<b>144,056,733</b>	<b>138,247,239</b>
<b>Expenditures:</b>							
<b>Current:</b>							
Regular Instruction	40,602,436	1,989,449				42,591,885	43,705,533
Special Education Instruction	12,506,282					12,506,282	11,419,319
Other Special Instruction	1,024,120					1,024,120	1,017,449
Other Instruction	1,683,884					1,683,884	1,758,372
Support Services & Undistributed Costs:							
Tuition	4,884,315					4,884,315	5,060,171
Attendance & Social Work Services	38,400					38,400	37,290
Health Services	1,768,481					1,768,481	1,472,628
Student & Instruction Related Services	6,826,095	2,175,421			26,275	9,027,791	8,584,405
Educational Media Services/School Library	578,844					578,844	776,367
Instructional Staff Training	415,829					415,829	263,463
School Administrative Services	5,654,731					5,654,731	5,275,665
Central Service Admin. Info	1,237,058					1,237,058	1,350,769
Technology Services	755,986					755,986	732,626
Other Administrative Services	1,828,062					1,828,062	1,781,239
Plant Operations & Maintenance	12,247,101					12,247,101	11,403,170
Pupil Transportation	8,646,278					8,646,278	8,223,369
Unallocated Benefits	28,498,185					28,498,185	25,898,963
Debt Service:							
Principal				1,555,000		1,555,000	1,475,000
Interest				3,971,148		3,971,148	4,057,078
Capital Outlay	3,597,002	312,406	2,009,640			5,919,048	10,111,033
<b>Total Expenditures</b>	<b>132,793,089</b>	<b>4,477,276</b>	<b>2,009,640</b>	<b>5,526,148</b>	<b>26,275</b>	<b>144,832,428</b>	<b>144,403,909</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	1,124,063		(1,812,957)	(93,778)	6,977	(775,695)	(6,156,670)
<b>Other Financing Sources/(Uses):</b>							
Capital Leases (Non-budgeted)							554,054
Transfer to Charter Schools	(8,305)					(8,305)	(16,126)
I.B.N.R.	(2,031,900)					(2,031,900)	310,200
Transfers In				52,382		52,382	126,500
Transfers Out			(52,382)			(52,382)	(126,500)
<b>Total Other Financing Sources/Uses</b>	<b>(2,040,205)</b>		<b>(52,382)</b>	<b>52,382</b>		<b>(2,040,205)</b>	<b>848,128</b>
Net Change in Fund Balances	(916,142)		(1,865,339)	(41,396)	6,977	(2,815,900)	(5,308,542)
Fund Balance - July 1	9,368,130		2,918,916	220,278	606,761	13,114,085	18,422,627
Fund Balance - June 30	8,451,988		1,053,577	178,882	613,738	10,298,185	13,114,085