

**BOARD OF EDUCATION
OF THE
BLACK HORSE PIKE REGIONAL
SCHOOL DISTRICT
BLACKWOOD, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2008**

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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INTRODUCTORY SECTION

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

580 Erial Road, Blackwood, New Jersey 08012-4550

(856) 227-4106 • Fax (856) 227-6835

www.bhprsd.org

John F. Golden

Assistant Superintendent

Brian Repici

Supervisor of Curriculum

Ralph E. Ross
Superintendent

John C. Oberg, R.S.B.A.

Board Secretary

Business Administrator

October 28, 2008

Honorable President and
Members of the Board of Education
Black Horse Pike Regional School District
580 Erial Road
Blackwood, NJ 08012

Dear Board Members:

The comprehensive annual financial report of the Black Horse Pike Regional School District for the fiscal year ending June 30, 2008 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and 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 organizational chart and a list of principal officials. The financial section includes the general-purpose 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 1996, and the U.S. Office of Management and Budget Circular A-133, and New Jersey OMB Circular 04-04.

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:** Black Horse Pike Regional is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Black Horse Pike Regional Board of Education and all its schools constitute the Districts reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for handicapped youngsters.

TRITON REGIONAL HIGH SCHOOL

250 Schubert Avenue
Runnemede, NJ 08078-1796
(856) 939-4500 • Fax (856) 939-4724

Edward J. Stahl, Principal

HIGHLAND REGIONAL HIGH SCHOOL

450 Erial Road
Blackwood, NJ 08012-4599
(856) 227-4100 • Fax (856) 227-3619

Frank W. Palatucci, Jr., Principal

TIMBER CREEK HIGH SCHOOL

501 Jarvis Road
Erial, NJ 08081-2169
(856) 232-9703 • Fax (856) 232-5267

Mae F. Robinson, Principal

The District completed the 2008 fiscal year with an enrollment of 4146 students, which is 21 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

FISCAL YEAR	STUDENT ENROLLMENT	PERCENT OF CHANGE
2008	4146	.509%
2007	4125	(1.528%)
2006	4189	3.177%
2005	4060	1.525%
2004	3999	6.131%
2003	3768	5.872%
2002	3559	5.859%
2001	3362	(7.789%)
2000	3646	0.496%
1999	3628	3.657%

- 2) **ECONOMIC CONDITION AND OUTLOOK:** The School District is comprised of the Township of Gloucester and the Boroughs of Bellmawr and Runnemede. The District services pupils in grades nine through twelve in three high school facilities, Triton Regional High School, Highland Regional High School and Timber Creek High School.

Triton Regional High School, which was constructed in 1956, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Borough of Runnemede, receives students residing in the communities of Runnemede, Bellmawr and the Glendora, Timberbirch, Broadmoor, Chews Landing, Hilltop, Pine Run and Catalina Hills sections of the Township of Gloucester. The functional capacity of Triton Regional High School is 1657; current enrollment is 1525.

Highland Regional High School, which was constructed in 1967, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Township of Gloucester, receives students residing in Blenheim, Millbridge, Blackwood, and Cherrywood, Glen Oaks, Laurel Springs Gardens and Laurel Hills sections of the Township of Gloucester. The functional capacity of Highland Regional High School is 1416; current enrollment is 1193.

Timber Creek High School was constructed in 2001. The school, which is located in the Township of Gloucester, receives students residing in the Erial and Lambs Terrace sections of the Township of Gloucester. The functional capacity of Timber Creek High School is 1442; current enrollment is 1428.

The voters of the Regional District approved a 44.8 million dollar bond referendum in 1998, which provided one million dollars for Highland Regional High School and one million dollars for Triton High School for the installation of a fiber optic backbone and wiring of all classrooms for internet access as well as the purchase of additional computer hardware. The referendum also provided \$845,000 at Highland Regional High School for the construction of a weight room and field improvements. \$885,000 was provided for Triton Regional High School for the construction of a weight room and field improvement. The remaining balance of the \$44.8 million dollars was for the acquisition of additional land and the construction of Timber Creek High School. The initial facility was designed to house 1,500 students with core facilities designed to house 1,800 students. The new school opened to students September 2001.

The future outlook for District financing continues to depend primarily upon the ability and willingness of the Governor and State Legislature to provide funding and the availability of tax revenues to the State. State revenue is extremely sensitive to economic conditions, which in turn affects property taxes. Retail sale and use taxes, personal income taxes, bank and corporation taxes comprise more than 90% of the State's General Fund income.

The budget CAP imposed by the State has continued to reduce the growth of the District's budget. The CAP increase of 1997-1998 was 4.00%, which is a significant reduction from the 14% several years ago. For the 1997-1998 school year, the Department of Education did utilize current enrollment information in determining State Aid allocations. This resulted in the District receiving an increase in State Aid for the 1999-2000 and 2000-2001 budgets. There was no increase in State Aid for several years, and subsequently, a modest increase was provided. The State implemented a new funding formula for the 2008-2009 school year which increased aid by 20%. The Board utilized \$3,000,000 to reduce the local property tax impact.

- 3) **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 is 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 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 part of the Districts 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.

- 4) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The object of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the General Fund, Special Revenue Fund and the Debt Service Fund. Project length budgets for capital improvements are accounted for in the Capital Projects Fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2008.

- 5) **ACCOUNT SYSTEM AND REPORTS:** The Districts accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of fund and account groups. These funds and account groups are explained in Notes to the Financial Statements.
- 6) **CASH MANAGEMENT:** The funds, which the Board receives, are held in deposit with Commerce Bank. State Aid is wired directly into the account twice a month. Other sources of revenue are deposited by the district on a daily basis. Interest is received on the funds residing in the District account.
- 7) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance, property, and contents and fidelity bonds.

8) **OTHER INFORMATION:**

INDEPENDENT AUDIT: State Statutes require an annual audit by an independent, certified public accountant or registered municipal accountant. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report of the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors reports related specifically to the single audit are included in the single audit section of this report.

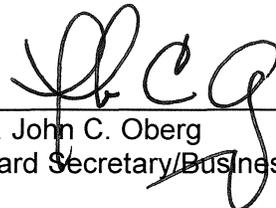
9) **ACKNOWLEDGMENTS:**

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

Respectfully submitted,



Mr. Ralph E. Ross
Superintendent



Mr. John C. Oberg
Board Secretary/Business Administrator

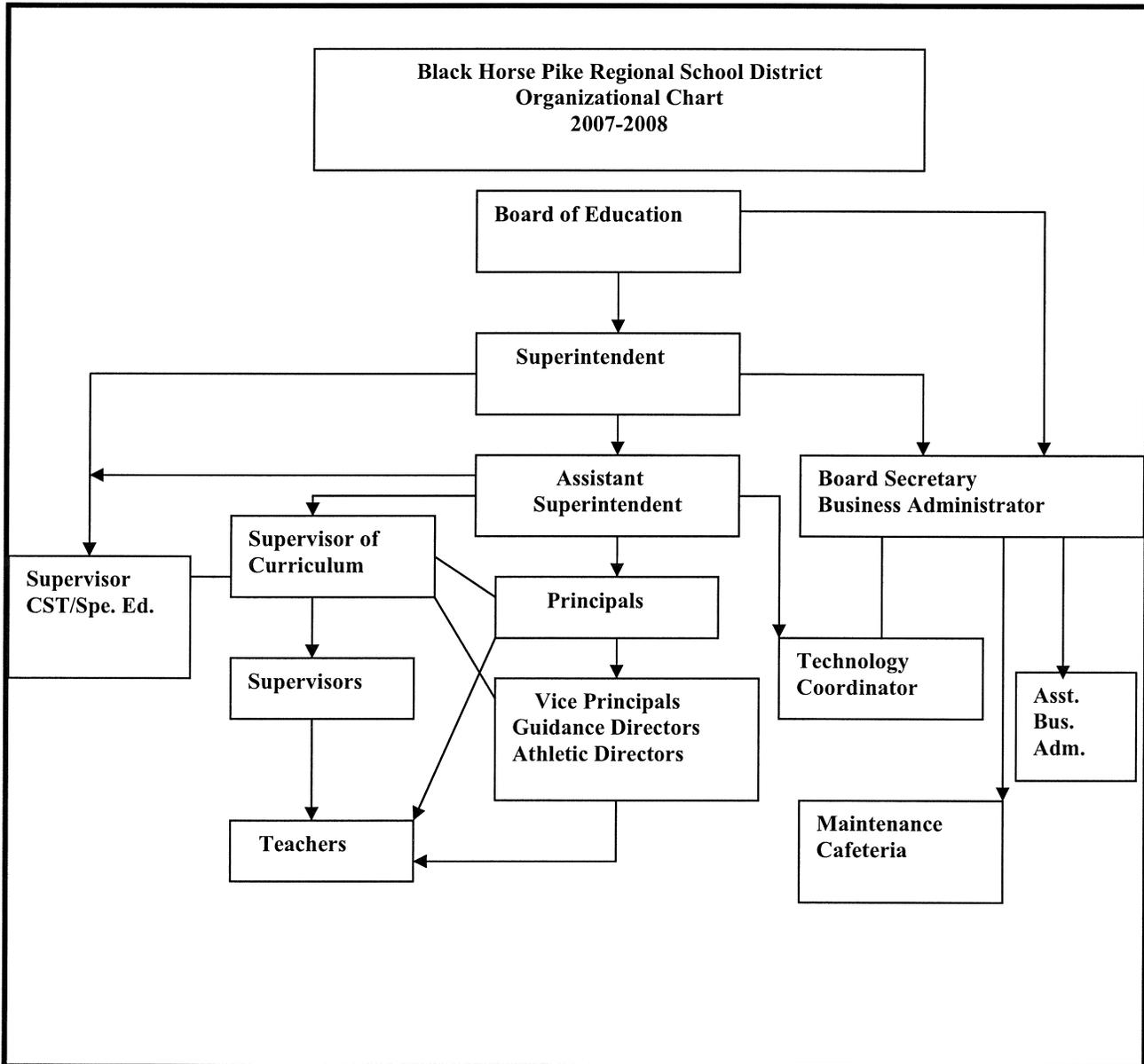
POLICY

ADMINISTRATION

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TITLE: LINE OF RESPONSIBILITY



**ROSTER OF OFFICIALS
JUNE 30, 2008**

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Mrs. Patricia Wilson, President	2010
Mr. Louis Vizoco, Vice-President	2010
Mr. Joseph Baldino	2009
Mr. Kevin Bucceroni	2011
Ms. Joyce W. Ellis	2011
Mrs. Carmella McMurray	2009
Mr. William Murray	2010
Mrs. Jennifer Storer	2009
Mr. Benjamin L. Zanghi	2011

OTHER OFFICIALS

Mr. Ralph E. Ross, Superintendent

John Golden, Assistant Superintendent

John C. Oberg, Board Secretary/Business Administrator

Dr. Brian Repici, Director of Curriculum

Ms. Jennifer Johnson, Asst. Board Secretary/Business Administrator

Mrs. Janet Glover, Custodian of School Funds

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

Architect

Garrison Architects
1400 F Commerce Parkway
Mt. Laurel, NJ 08054

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2493

Attorney

John D. Wade
1250 Chews Landing Road
Laurel Springs, NJ 08021

Official Depository

Commerce Bank
Blackwood-Clementon Rd.
Blackwood, NJ 08012

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Black Horse Pike Regional School District
Blackwood, New Jersey 08012

We have audited the accompanying financial statements of the governmental activities, the business type activities and each major fund of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Black Horse Pike Regional School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of Black Horse Pike Regional School District in the County of Camden, State of New Jersey as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2008 on our consideration of Black Horse Pike Regional School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and 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 read in conjunction with this report in considering the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Black Horse Pike Regional School District's basic financial statements. 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 State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Public School Accountant No. CS 01191

Voorhees, New Jersey
October 28, 2008

**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**

The Honorable President and
Members of the Board of Education
Black Horse Pike Regional School District
Blackwood, New Jersey 08012

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated October 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Black Horse Pike Regional School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 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 School District's financial statements that is more than inconsequential will not be prevented or detected by the 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 misstatement of the financial statements will not be presented or detected by the School District's internal control.

Our 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

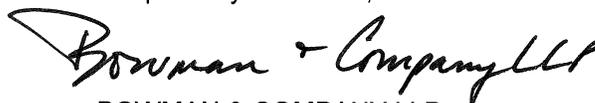
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Black Horse Pike Regional School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is 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 which is described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings-- Financial, Compliance and Performance as finding no.: 2008-1.

The Black Horse Pike Regional School District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School District's response and, accordingly, we express no opinion on it.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Public School Accountant No. CS 01191

Voorhees, New Jersey
October 28, 2008

REQUIRED SUPPLEMENTARY INFORMATION
PART I

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

The discussion and analysis of Black Horse Pike Regional School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2007. 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.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

The first two statements, Exhibit A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those types of activities that operate like a business.

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II, that contains required supplementary information that further explains and supports the information in the financial statements including; budget schedules, reconciliations and individual fund statements.

Statement of Net Assets and Statement of Activities

The Statement of Net Assets and the Statement of Activities include all assets and liabilities of the School District 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.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Statement of Net Assets and Statement of Activities (Cont'd)

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 facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental and business - type 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, pupil transportation and special schools.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety 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, the Special Revenue Fund, the Capital Projects Fund and the Debt Service Fund; the School District has no Permanent Fund.

Governmental Funds

Most of 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 periods. These funds are reported using an accounting method called modified accrual basis of 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

The Statement of Net Assets provides a snapshot of the School District as a whole.

The table on the following page provides a summary of the School District's net assets for the years ending June 30, 2008 and 2007.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Table 1

Net Assets

Assets	June 30, 2008	June 30, 2007
Cash and Cash Equivalents	\$ 2,514,212.71	\$ 4,894,243.45
Receivables, net	3,916,568.80	1,523,865.71
Deferred Charges	256,510.06	259,026.70
Inventory	17,419.86	9,059.52
Restricted Assets:		
Restricted Cash and Cash Equivalents	226,646.76	132,422.76
Capital Assets, net (Note 5)	49,613,580.55	49,658,576.04
Total Assets	56,544,938.74	56,477,194.18
Liabilities		
Accounts Payable	303,592.76	94,190.92
Interfunds Payable	809,442.08	384,185.61
Accrued Interest	126,395.94	145,399.82
Payable to State Government		
Deferred Revenue	191,128.16	274,756.85
Noncurrent Liabilities (Note 6):		
Due within One Year	2,933,532.62	2,812,090.83
Due beyond One Year	32,681,159.98	35,484,982.16
Total Liabilities	37,045,251.54	39,195,606.19
Net Assets		
Invested in Capital Assets, Net of Related Debt	15,876,475.22	13,602,046.14
Restricted for:		
Debt Service	18,785.89	
Capital Projects	1,953,461.06	259,027.70
Other Purposes	2,188,514.84	2,554,677.77
Unrestricted (Deficit)	(537,549.81)	865,836.38
Total Net Assets	\$ 19,499,687.20	\$ 17,281,587.99

Net assets of governmental activities were \$19,331,640.17 at June 30, 2008, an increase from June 30, 2007. The change in net assets is attributable to the increase in net receivables and the reduction of long term liabilities.

The assets of the business-type activities were \$168,047.03 which represents a decrease during the 2007-2008 year due to a reduction in cash holdings and an increase in the amount due back to the general fund to cover payroll and benefit costs for cafeteria employees.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Table 2

Changes in Net Assets

Revenues	June 30, 2008	June 30, 2007
Program Revenues:		
Charges for Services	\$ 1,222,540.53	\$ 1,209,768.39
Operating Grants and Contributions	7,114,495.89	6,817,102.32
General Revenues:		
Property Taxes	31,571,302.00	29,539,396.00
Federal and State Aid	27,816,295.49	26,606,629.91
Transportation	782,000.00	330,164.40
Unrestricted Miscellaneous Revenues	686,129.80	602,635.83
	<hr/>	<hr/>
Total Revenues	69,192,763.71	65,105,696.85
	<hr/>	<hr/>
Program Expenses:		
Governmental Activities:		
Instruction	23,987,525.71	22,128,834.62
Support Services	38,927,526.85	36,773,461.96
Other	2,167,734.22	2,263,941.47
	<hr/>	<hr/>
Total Expenses, Governmental Activities	65,082,786.78	61,166,238.05
	<hr/>	<hr/>
Business-Type Activities:		
Food Service	1,891,877.72	1,888,064.64
	<hr/>	<hr/>
Total Expenses	66,974,664.50	63,054,302.69
	<hr/>	<hr/>
Less:		
Special Items		18,709.00
	<hr/>	<hr/>
Change in Net Assets	<u>\$ 2,218,099.21</u>	<u>\$ 2,032,685.16</u>

The primary revenue source for the district is from State funding. State aid makes up approximately 50% of the total revenues which is static. This results in the local tax levy increasing to fund school operations. The local tax levy is now over 45% of the total revenues. State Aid has not increased significantly in the past five years, despite increasing enrollments for the district. Costs continue to increase because of economic factors beyond the control of the Board. To ensure a thorough and efficient education for all students, a greater reliance on the local tax levy is needed to balance the budget.

The district's largest cost category is salaries and benefits. This category rose significantly during the past fiscal year primarily because of the negotiated salary increase, hiring of additional staff members and a steep increase in the cost of health benefits. The operating costs of the third high school have also contributed to the budget pressures as a result of the stagnant state aid.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Governmental Activities

State Aid and the Local Tax Levy comprise over 96% of the total revenues for government activities for the fiscal years 2008 and 2007.

Instruction costs comprises nearly 37% of the District's governmental expenses, while support services and other expenses comprise approximately 60% which is fairly consistent with prior fiscal year results.

The Statement of Activities shows the costs of the Governmental Activities' 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 for fiscal year 2008. The net cost of services identifies the costs supported by general revenues.

Table 3

	Total Cost of services	Net Cost of services
Instruction	\$ 23,987,525.71	\$ 22,904,966.98
Support services:		
Tuition	4,669,037.78	4,669,037.78
Student and Instruction Related Service	6,352,081.34	6,295,891.79
School Administrative Services	2,392,834.31	2,392,834.31
Business and Other Support Services	2,108,447.49	2,108,447.49
Plant Operation and Maintenance	5,863,444.48	5,863,444.48
Pupil Transportation	3,697,447.01	3,697,447.01
Unallocated Benefits	8,812,871.11	8,812,871.11
Reimbursed TPAF and Social Security	4,891,734.64	
Special Schools	139,628.69	139,628.69
Amortization of Debt Issuance Costs	21,902.08	21,902.08
Interest on Long Term Debt	1,472,892.21	768,176.70
Unallocated Depreciation	672,939.93	672,939.93
Total Government Activities	\$ 65,082,786.78	\$ 58,347,588.35

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Tuition expenses include the cost to the School District to send pupils living within the District to private schools and schools outside the District area.

Student and instruction related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

School Administrative and Business and Other Support Services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administrative services.

Plant operation and maintenance of plant activities involve keeping the school grounds, buildings and equipment in an effective working condition.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Governmental Activities (Cont'd)

Pupil transportation includes activities involved with the conveyance of students to and from school activities.

Unallocated benefits includes the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health, dental, prescription and other employee benefits.

Reimbursed TPAF and Social Security costs are the amounts for the on-behalf payments made by the State of New Jersey for staff members included in the Teacher's Pension and Annuity Fund.

Amortization of Debt Issuance Costs relates to the amortization expense of the issuance costs associated with the long term debt issued for the construction of Timber Creek Regional High School.

Unallocated depreciation is used to report the depreciation expense on capital assets whose use cannot be specifically identified to one particular function.

The dependence upon property taxes, federal and state aid is apparent. The local communities that comprise the regional district, federal government and state, are the primary support for the Black Horse Pike Regional School District.

The School District's Funds

The school district's major funds are accounted for using the modified accrual basis of accounting. All government funds had total revenues of \$67,573,991.40 (Exhibit B-2), expenditures of \$67,790,246.53 and other financing uses of \$258,625.00. The fund balance of the General Fund decreased by \$474,880.13.

General Fund Budgeting Highlights

The school district's budget is prepared in accordance with New Jersey Law. Most of the funds are appropriated in the General Fund.

During the course of the 2008 fiscal year, the School District modified its General Fund budget numerous times. The net change in the total budget modification resulted from the rollover of encumbrances and the increase in capital outlay for the purchase of additional equipment.

For the General Fund, the original and final budget basis revenue estimate was \$57,233,650.00, with actual revenues in the amount of \$62,212,902.12, resulting in a positive variance of \$4,979,252.12. The positive variance occurred because of the TPAF On-behalf and Social Security payments by the State of New Jersey. Actual local revenues were more than those budgeted as a result of an increase in interest earnings and courtesy busing transportation reimbursements.

The General Fund final budget basis expenditure appropriation estimate was \$61,893,997.71, compared with actual expenditures of \$62,820,792.14, resulting in a negative variance of \$926,794.43. The majority of the variance is the result of the District's share of on-behalf payments by the State of New Jersey.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED**

Capital Assets

At the end of the fiscal year, the School District had \$49,568,530.92 invested in land, land improvements, buildings and improvements and equipment.

Table 4 shows a summary of the district's fiscal 2008 balances:

**Table 4
Capital Assets (Net of Depreciation)**

Land	\$ 1,252,903.00
Land Improvements	2,893,058.00
Buildings and Improvements	42,335,185.92
Furniture and Equipment	3,087,384.00
Totals	\$ 49,568,530.92

Overall capital assets increased from fiscal year 2007 to fiscal year 2008 as a result of the additional investment in capital assets. The District invested an additional \$1,737,848.39 during the fiscal year.

Debt Administration

As of June 30, 2008, the School District had \$34,872,000.00 outstanding general obligation bonds. The 2008-2009 adopted budget has an appropriation of \$2,545,000.00 representing the payment of the annual principal. The district entered into sale/leaseback of textbooks during previous fiscal years. As a result, at June 30, 2008, the district has a capital lease obligation of \$509,101.82 with a 2008-09 principal payment obligation in the amount of \$374,207.62 which will be partially funded by a legal reserve established by the Board of Education. In Fiscal Year 2008, the District authorized a partial refund of the general obligation bonds and secured a significant future savings.

Economic Factors and Next Year's Budget

For the 2007-2008 school year, the School District was able to sustain its budget through an increase in the tax levy, federal aid, state aid and miscellaneous revenue sources. One of the most important factors affecting the School District's budget is its enrollment. The 2007-2008 budget was adopted based on the State of New Jersey's aid being held harmless for any increase in enrollment. The addition of a third high school, coupled with enrollment increases has resulted in a financial strain to the district because of the lack of additional state aid to compensate for the enrollment increases. The District continues to examine its costs in an effort to prevent additional burden on the taxpayers of the municipalities. As stated above, the District authorized a partial refunding of the general obligation bonds in order to achieve a savings on debt service. In addition, the district entered into an agreement to provide savings for various copier lease contracts. The 2007-2008 budget, which was rejected by voters, contained only a small increase of state aid to cover the increasing costs for employee salaries and benefits. As a result, the District had to rely on the taxpayers of the three communities to fund the increasing costs of a thorough and efficient education of the student population.

Contacting the School District's Financial Management

The School District's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials and investors and creditors with a general overview of the School District's finances and to show its accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the Black Horse Pike Regional School District Business Administrator/Board Secretary at 580 Erial Road, Blackwood, New Jersey 08012.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Net Assets
June 30, 2008

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 1,652,324.16	\$ 861,888.55	\$ 2,514,212.71
Receivables, net	3,814,643.23	101,925.57	3,916,568.80
Deferred Charge:			
Debt Issuance (Net of Amortization)	256,510.06		256,510.06
Inventory		17,419.86	17,419.86
Restricted Assets:			
Restricted Cash and Cash Equivalents	226,646.76		226,646.76
Capital Assets, net (Note 6)	<u>49,568,530.92</u>	<u>45,049.63</u>	<u>49,613,580.55</u>
Total Assets	<u>55,518,655.13</u>	<u>1,026,283.61</u>	<u>56,544,938.74</u>
LIABILITIES:			
Accounts Payable	303,325.83	266.93	303,592.76
Interfunds Payable		809,442.08	809,442.08
Accrued Interest	126,395.94		126,395.94
Deferred Revenue	191,128.16		191,128.16
Noncurrent Liabilities (Note 7):			
Due within One Year	2,933,532.62		2,933,532.62
Due beyond One Year	<u>32,632,632.41</u>	<u>48,527.57</u>	<u>32,681,159.98</u>
Total Liabilities	<u>36,187,014.96</u>	<u>858,236.58</u>	<u>37,045,251.54</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	15,831,425.59	45,049.63	15,876,475.22
Restricted for:			
Debt Service	18,785.89		18,785.89
Capital Projects	1,953,461.06		1,953,461.06
Other Purposes	2,188,514.84		2,188,514.84
Unrestricted	<u>(660,547.21)</u>	<u>122,997.40</u>	<u>(537,549.81)</u>
Total Net Assets	<u>\$ 19,331,640.17</u>	<u>\$ 168,047.03</u>	<u>\$ 19,499,687.20</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2008

Functions / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Governmental Activities:					
Instruction:					
Regular	\$ 17,890,088.31		\$ 1,082,558.73		\$ (16,807,529.58)
Special Education	3,573,737.31				(3,573,737.31)
Other Special Instruction	344,615.29				(344,615.29)
Other Instruction	2,179,084.80				(2,179,084.80)
Support Services:					
Tuition	4,669,037.78				(4,669,037.78)
Student and Instruction Related Services	6,352,081.34		56,189.55		(6,295,891.79)
School Administrative Services	2,392,834.31				(2,392,834.31)
General and Business Administrative Services	2,108,447.49				(2,108,447.49)
Plant Operations and Maintenance	5,863,444.48				(5,863,444.48)
Pupil Transportation	3,697,447.01				(3,697,447.01)
Unallocated Benefits	8,812,871.11		4,891,734.64		(6,812,871.11)
Reimbursed TPAF and Social Security	4,891,734.64				(4,891,734.64)
Special Schools	139,628.69				(139,628.69)
Amortization of Debt Issuance Costs	21,902.08				(21,902.08)
Interest on Long-Term Debt	1,472,892.21		704,715.51		(768,176.70)
Unallocated Depreciation	672,939.93				(672,939.93)
Total Governmental Activities	65,082,786.78		6,735,198.43		(58,347,588.35)
Business-Type Activities:					
Food Service	1,891,877.72	\$ 1,222,540.53	379,297.46		\$ (290,039.73)
Total Business-Type Activities	1,891,877.72	1,222,540.53	379,297.46		(290,039.73)
Total Primary Government	\$ 66,974,664.50	\$ 1,222,540.53	\$ 7,114,495.89		\$ (58,637,628.08)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, net					29,655,998.00
Taxes Levied for Debt Service					1,915,304.00
Federal and State Aid not Restricted					26,152,323.00
Federal and State Aid Restricted					1,663,972.49
Transportation					782,000.00
Miscellaneous Income				16,934.33	686,129.81
Rounding Correction				(0.01)	(0.01)
Transfers				258,625.00	
Total General Revenues, Special Items, Extraordinary Items and Transfers					60,580,167.96
Change in Net Assets					2,232,579.61
Net Assets -- July 1					17,099,060.56
Net Assets -- June 30					\$ 19,331,640.17

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

FUND FINANCIAL STATEMENTS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2008

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 1,652,324.16	\$ 207,860.87		\$ 18,785.89	\$ 1,878,970.92
Receivables, net:					
Interfunds Receivable:					
Unemployment Fund	12,655.42				12,655.42
Enterprise Fund	809,442.08				809,442.08
Capital Projects Fund	41,455.45				41,455.45
Receivables from Other Governments:					
State of New Jersey	187,889.36		\$ 41,455.45		229,344.81
Local Governments - Tax Levy	2,639,905.79				2,639,905.79
Local Governments - Transportation	123,295.13				123,295.13
Other - Tuition					
Total Assets	<u>\$ 5,466,967.39</u>	<u>\$ 207,860.87</u>	<u>\$ 41,455.45</u>	<u>\$ 18,785.89</u>	<u>\$ 5,735,069.60</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 281,386.12	\$ 21,939.71			\$ 303,325.83
Interfunds Payable:					
General Fund			\$ 41,455.45		41,455.45
Deferred Revenue	800.00	190,328.16			191,128.16
Total Liabilities	<u>282,186.12</u>	<u>212,267.87</u>	<u>41,455.45</u>		<u>535,909.44</u>
Fund Balances:					
Reserved for:					
Encumbrances	830,725.94				830,725.94
Legally Restricted -- Designated for					
Sale/Lease-back of Textbooks Reserve	393,891.84				393,891.84
Capital Reserve Account	1,696,951.00				1,696,951.00
Excess Surplus -- Designated for					
Subsequent Year's Expenditures	382,019.59				382,019.59
Unreserved	464,182.49	(4,407.00)		18,785.89	478,561.38
Unreserved - Designated for					
Subsequent Year's Expenditures	1,417,010.41				1,417,010.41
Total Fund Balances (Deficit)	<u>5,184,781.27</u>	<u>(4,407.00)</u>		<u>18,785.89</u>	<u>5,199,160.16</u>
Total Liabilities and Fund Balances	<u>\$ 5,466,967.39</u>	<u>\$ 207,860.87</u>	<u>\$ 41,455.45</u>	<u>\$ 18,785.89</u>	
Amounts reported for <i>governmental activities</i> 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 \$72,180,965.58 and the accumulated depreciation is \$22,612,434.66.					
					49,568,530.92
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.					
					(35,566,165.03)
Governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.					
					256,510.06
Interest on long term debt is accrued on the Statement of Net Assets regardless when due.					
					<u>(126,395.94)</u>
Net assets of governmental activities					<u>\$ 19,331,640.17</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2008

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 29,655,998.00			\$ 1,915,304.00	\$ 31,571,302.00
Transportation	782,000.00				782,000.00
Miscellaneous	669,195.48				669,195.48
State Sources	31,044,057.64	\$ 522,637.00		1,934,188.00	33,500,882.64
Federal Sources	1,050,611.28				1,050,611.28
Total Revenues	<u>62,151,251.12</u>	<u>1,573,248.28</u>	-	<u>3,849,492.00</u>	<u>67,573,991.40</u>
EXPENDITURES:					
Regular Instruction	16,016,662.41				17,099,221.14
Special Education Instruction	3,573,737.31	1,082,558.73			3,573,737.31
Other Special Instruction	344,615.29				344,615.29
Other Instruction	2,096,230.64				2,096,230.64
Support Services and Undistributed Costs:					
Tuition	4,669,037.78				4,669,037.78
Student and Instruction Related Services	6,295,891.79				6,352,081.34
School Administrative Services	2,392,834.31	56,189.55			2,392,834.31
Other Administrative Services	2,258,501.16				2,258,501.16
Plant Operations and Maintenance	5,841,063.82				5,841,063.82
Pupil Transportation	3,697,447.01				3,697,447.01
Unallocated Benefits	8,865,558.90				8,865,558.90
Reimbursed TPAF Pension and Social Security	4,891,734.64				4,891,734.64
Special Schools	139,628.69				139,628.69
Transfer to Charter School					
Debt Service:					
Principal				2,435,000.00	2,435,000.00
Interest and Other Charges				1,395,706.11	1,395,706.11
Capital Outlay	<u>1,737,848.39</u>				<u>1,737,848.39</u>
Total Expenditures	<u>62,820,792.14</u>	<u>1,138,748.28</u>		<u>3,830,706.11</u>	<u>67,790,246.53</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(669,541.02)</u>	<u>434,500.00</u>		<u>18,785.89</u>	<u>(216,255.13)</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2008

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Operating Transfers:					
Enterprise Fund	\$ (258,625.00)				\$ (258,625.00)
Special Revenue Fund- Targeted At Risk Aid	434,500.00	\$ (434,500.00)			
	<u>175,875.00</u>	<u>(434,500.00)</u>			<u>(258,625.00)</u>
Total Other Financing Sources and Uses					
Net Change in Fund Balances	\$ (493,666.02)			\$ 18,785.89	(474,880.13)
Fund Balance -- July 1	5,678,447.29	\$ (4,407.00)			5,674,040.29
Fund Balance -- June 30	<u>\$ 5,184,781.27</u>	<u>\$ (4,407.00)</u>	<u>\$ -</u>	<u>\$ 18,785.89</u>	<u>\$ 5,199,160.16</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2008

Total Net Change in Fund Balances - Governmental Funds		\$ (474,880.13)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>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.</p>		
Depreciation Expense		\$ (1,735,969.10)
Capital Outlays		<u>1,737,848.39</u>
		1,879.29
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		2,435,000.00
Repayment of capital leases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		316,980.85
The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(118,092.06)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation. (+)		19,003.88
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		52,687.79
Rounding Correction		(0.01)
		<hr/>
Change in Net Assets of Governmental Activities		<u>\$ 2,232,579.61</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 861,888.55
Accounts Receivable:	
State	3,670.06
Federal	57,018.90
Local School District	41,236.61
Other - Refund Receivable	
Inventories	<u>17,419.86</u>
Total Current Assets	<u>981,233.98</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	595,332.74
Less Accumulated Depreciation	<u>(550,283.11)</u>
Total Noncurrent Assets	<u>45,049.63</u>
Total Assets	<u>1,026,283.61</u>
LIABILITIES :	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	809,442.08
Accounts Payable	<u>266.93</u>
Total Current Liabilities	<u>809,709.01</u>
Noncurrent Liabilities:	
Compensated absences	<u>48,527.57</u>
Total Noncurrent Liabilities	<u>48,527.57</u>
Total Liabilities	<u>858,236.58</u>
NET ASSETS:	
Invested in Capital Assets Net of Related Debt - Restricted for Contributed Capital	45,049.63
Unrestricted	<u>122,997.40</u>
Total Net Assets	<u>\$ 168,047.03</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 462,967.20
Daily Sales - Non-Reimbursable Programs	560,816.85
Special Functions	198,756.48
	1,222,540.53
Total Operating Revenues	1,222,540.53
OPERATING EXPENSES:	
Salaries	779,432.27
Employee Benefits	285,645.91
General Supplies	70,793.50
Depreciation	46,874.78
Miscellaneous	8,625.00
Repair	4,902.55
Management Fee	74,000.08
Cost of Sales	621,603.63
	1,891,877.72
Total Operating Expenses	1,891,877.72
Operating Income (Loss)	(669,337.19)
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	15,916.18
State School Breakfast Program	3,310.30
Federal Sources:	
National School Lunch Program	263,716.34
National School Breakfast Program	33,327.03
Food Distribution Program	63,027.61
Interest and Investment Revenue	16,934.33
	396,231.79
Total Nonoperating Revenues	396,231.79
Income (Loss) before Contributions and Transfers	(273,105.40)
Operating Transfers In (Out) - General Fund	258,625.00
Change in Net Assets (Loss)	(14,480.40)
Total Net Assets -- July 1	182,527.43
Total Net Assets -- June 30	\$ 168,047.03

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 1,186,221.42
Payments to Employees	(354,175.80)
Payments for Employee Benefits	(278,933.09)
Payments to Vendors	(653,031.27)
	(99,918.74)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	16,837.30
Federal Sources	259,371.62
Operating Subsidies and Transfers to other Funds	258,625.00
	534,833.92
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	16,934.33
	16,934.33
Net Increase (Decrease) in Cash and Cash Equivalents	451,849.51
Balances -- July 1	410,039.04
Balances -- June 30	\$ 861,888.55
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (669,337.19)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	46,874.78
Food Distribution Program	63,027.61
(Increase) Decrease in Other Accounts Receivable	(36,319.11)
(Increase) Decrease in Inventories	(8,360.34)
(Increase) Decrease in Refund Receivable	72,401.84
Increase (Decrease) in Accounts Payable	425,080.85
Increase (Decrease) in Other Current Liabilities	6,712.82
	569,418.45
Total Adjustments	569,418.45
Net Cash Provided by (used for) Operating Activities	\$ (99,918.74)

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student Activity	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 69,362.85	\$ 516,371.06	\$ 24,523.38
Interfund Accounts Receivable: Due from Payroll	14,539.26		
Total Assets	<u>83,902.11</u>	<u>\$ 516,371.06</u>	<u>\$ 24,523.38</u>
LIABILITIES:			
Interfund Payable - General Fund	12,655.42		\$ -
Interfund Payable - Unemployment Trust Fund Payable to Student Groups		\$ 516,371.06	14,539.26
Payroll Deductions and Withholdings			9,984.12
Total Liabilities	<u>12,655.42</u>	<u>\$ 516,371.06</u>	<u>\$ 24,523.38</u>
NET ASSETS:			
Held in Trust for Unemployment Claims	<u>\$ 71,246.69</u>		

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2008

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Payroll Deductions	\$ 46,521.65
Total Contributions	<u>46,521.65</u>
Investment earnings:	
Interest	<u>3,529.17</u>
Net Investment Earnings	<u>3,529.17</u>
Total Additions	<u>50,050.82</u>
DEDUCTIONS:	
Unemployment Claims	<u>116,468.43</u>
Total Deductions	<u>116,468.43</u>
Change in Net Assets	(66,417.61)
Net Assets -- July 1	<u>137,664.30</u>
Net Assets -- June 30	<u><u>\$ 71,246.69</u></u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Black Horse Pike Regional School District (hereafter referred to as the "School District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades 9-12 at the School District's three high schools. The Black Horse Pike Regional School District has an approximate enrollment at June 30, 2008 of 4146.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The following organizations are considered component units; however, the School District has determined that they are not significant and, therefore, have not been included in the basic financial statements:

Dominic Zaccone Scholarship Foundation
580 Erial Road
Blackwood, New Jersey 08012

Requests for financial information should be addressed to the organizations listed above.

Basis of Presentation - The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities, and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this Note.

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Presentation (Cont'd)**

District-wide Financial Statements - The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The General Fund is the general operating fund of the School 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 non-instructional equipment classified in the Capital Outlay sub-fund.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings and the purchase of built-in equipment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Governmental Funds (Cont'd)**

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenues from the State and Federal Government, other than major capital projects, debt service, or the enterprise funds, and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those found in the private sector.

Enterprise Funds - The Enterprise Funds are used to account for operations:

1. that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or
2. where the School 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 School District's Enterprise Funds is:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

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 assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, 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:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Governmental Funds (Cont'd)**

Fiduciary Funds - Fiduciary Fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has three fiduciary funds, an unemployment compensation trust fund, a student activity fund, and payroll fund.

Measurement Focus

District-wide Financial Statements - The district-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within thirty days of fiscal year end.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Accounting (Cont'd)**

Revenues – Exchange and Non-Exchange Transactions (Cont'd) - Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. The restricted formula aids, which include Targeted At-Risk Aid and Instructional Supplement Program Aid, are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

Expenses / Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office 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. 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. 6A:23-2.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2.11.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Budgets / Budgetary Control (Cont'd) - The accounting records of the special revenue fund are maintained on the budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the General Fund Budgetary Comparison Schedule and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

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 School 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.

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

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

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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the Governmental Units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2008 and 2007 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2008.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required. This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure / expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring costs of operations.

Short-Term Interfund Receivables / Payables - Short-Term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as Interfunds Receivable and / or Interfunds Payable.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Assets and the Proprietary Fund Statement of Net Assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Capital Assets (Cont'd) - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2008, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Balance Reserves - The School District reserves portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves are established for encumbrances, legally restricted appropriations, excess surplus, and capital reserve account.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

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

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. Of the School District's bank balance of \$6,950,129.22 as of June 30, 2008, \$1,129,742.51 was uninsured and uncollateralized.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2007 to June 30, 2008 fiscal year is as follows:

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

Beginning Balance July 1, 2007	\$ 1.00
Increased by:	
Deposits:	
Approved by Board Resolution - June 2008	<u>1,696,950.00</u>
Ending Balance June 30, 2008	<u><u>\$ 1,696,951.00</u></u>

Note 4: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ending June 30, 2008, the School District transferred \$565,801.47 to the capital outlay for the purchase of additional equipment.

Note 5: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2008 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Intergovernmental	\$ 2,951,090.28	\$ 41,455.45	\$ 101,925.57	\$ 3,094,471.30
Other				
Total	<u>\$ 2,951,090.28</u>	<u>\$ 41,455.45</u>	<u>\$ 101,925.57</u>	<u>\$ 3,094,471.30</u>

Note 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2008 consisted of the following:

Food	\$ 15,105.79
Supplies	<u>2,314.07</u>
	<u><u>\$ 17,419.86</u></u>

Note 7: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2008 was as follows:

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2008</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,252,903.00			\$ 1,252,903.00
Construction in Progress				
Total Capital Assets not being Depreciated	<u>1,252,903.00</u>	<u>-</u>	<u>-</u>	<u>1,252,903.00</u>
Capital Assets, being Depreciated:				
Land Improvements	5,841,958.00			5,841,958.00
Building and Improvements	53,079,053.78	\$ 1,318,367.38		54,397,421.16
Equipment	10,269,202.41	419,481.01		10,688,683.42
Total Capital Assets, being Depreciated	<u>69,190,214.19</u>	<u>1,737,848.39</u>	<u>-</u>	<u>70,928,062.58</u>
Less Accumulated Depreciation for:				
Land Improvements	(2,736,564.00)	(212,336.00)		(2,948,900.00)
Building and Improvements	(11,047,485.28)	(1,014,749.96)		(12,062,235.24)
Equipment	(7,092,416.28)	(508,883.14)		(7,601,299.42)
Total Accumulated Depreciation	<u>(20,876,465.56)</u>	<u>(1,735,969.10) *</u>	<u>-</u>	<u>(22,612,434.66)</u>
Total Capital Assets, being Depreciated, Net	<u>48,313,748.63</u>	<u>1,879.29</u>	<u>-</u>	<u>48,315,627.92</u>
Governmental Activities Capital Assets, Net	<u>\$ 49,566,651.63</u>	<u>\$ 1,879.29</u>	<u>-</u>	<u>\$ 49,568,530.92</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 595,332.74			\$ 595,332.74
Less Accumulated Depreciation	(503,408.33)	\$ (46,874.78)		(550,283.11)
Total Business-Type Activities Capital Assets, Net	<u>\$ 91,924.41</u>	<u>\$ (46,874.78)</u>	<u>-</u>	<u>\$ 45,049.63</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 790,867.17
Other Instruction	82,854.16
General and Business Administrative Services	166,927.18
Plant Operations and Maintenance	22,380.66
Unallocated	672,939.93
Total Depreciation Expense	<u>\$ 1,735,969.10</u>

Note 8: LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2008, the following changes occurred in long-term obligations:

	<u>Principal Outstanding July 1, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2008</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 37,322,000.00	1,947,000.00	\$ (4,397,000.00)	\$ 34,872,000.00	\$ 2,545,000.00
Obligations under Capital Lease	826,082.67		(316,980.85)	509,101.82	374,207.62
Compensated Absences	<u>1,372,645.67</u>	<u>35,809.69</u>	<u>(88,497.48)</u>	<u>1,319,957.88</u>	<u>14,325.00</u>
Governmental Activity Long-term Liabilities	<u>\$ 39,520,728.34</u>	<u>\$ 1,982,809.69</u>	<u>\$ (4,802,478.33)</u>	<u>\$ 36,701,059.70</u>	<u>\$ 2,933,532.62</u>
Business-Type Activities:					
Compensated Absences	<u>\$ 41,814.75</u>	<u>\$ 6,712.82</u>		<u>\$ 48,527.57</u>	

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

Principal and interest due on bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 2,545,000.00	\$ 1,288,362.51	\$ 3,833,362.51
2010	2,625,000.00	1,189,518.76	3,814,518.76
2011	2,700,000.00	1,096,143.76	3,796,143.76
2012	2,780,000.00	993,493.76	3,773,493.76
2013	2,850,000.00	896,393.76	3,746,393.76
2014-2018	15,110,000.00	2,815,168.80	17,925,168.80
2019-2020	<u>6,262,000.00</u>	<u>258,459.38</u>	<u>6,520,459.38</u>
	34,872,000.00	<u>\$ 8,537,540.73</u>	<u>\$ 43,409,540.73</u>
Add/(Less):			
Discount on Bonds	(36,514.74)		
Premium on Bonds	130,041.83		
Unamortized Loss on Refunding Bonds	<u>(1,228,421.76)</u>		
	33,737,105.33		
Due Within One Year	<u>(2,545,000.00)</u>		
Long Term Portion	<u>\$ 31,192,105.33</u>		

Bonds Authorized But Not Issued - As of June 30, 2008, the School District had no authorizations to issue additional bonded debt.

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

Note 8: LONG-TERM OBLIGATIONS (CONT'D)

Capital Leases Payable - The School District is leasing textbooks totaling \$1,500,000.00 under capital leases. The capital leases are for a term of five years at an interest rate of 5.53%. The following is a schedule of the future minimum lease payments under the capital lease at June 30, 2008:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 374,207.62	\$ 24,679.44	\$ 398,887.06
2010	134,894.20	3,729.82	138,624.02
	<u>\$ 509,101.82</u>	<u>\$ 28,409.26</u>	<u>\$ 537,511.08</u>

Note 9: OPERATING LEASES

At June 30, 2008, the School District had operating lease agreements in effect for digital copy machines. The future minimum rental payments under the operating lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2009	\$ 176,073.36
2010	176,073.36
2011	176,073.36
2012	176,073.36
2013	146,727.80
	<u>\$ 851,021.24</u>

Rental payments under operating leases for the fiscal year ended June 30, 2008 were \$36,152.81.

Note 10: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2007, the increase is effective with the payroll period that begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2007, the increase is effective with the payroll period that begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Note 10: PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd) - The School District's contributions, equal to the required contribution for each fiscal year, was as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by Excess Pension Asset Credit</u>	<u>Paid by School District</u>
2008	\$ 281,775.00	\$ 217,148.00	\$ 498,923.00	\$ 99,784.60	\$ 399,138.40
2007	238,019.00	123,599.00	361,618.00	144,647.20	216,970.80
2006	225,906.00	62,139.00	288,045.00	172,827.00	115,218.00

Note 11: POSTEMPLOYMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (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. As of June 30, 2007, there were 75,860 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 with an additional contribution beginning in Fiscal Year 1996 to maintain a medical reserve of one half of one percent of the active State payroll.

The State made post-retirement (PRM) contributions of \$592.7 million for TPAF and \$224.3 million for PERS in fiscal year 2007.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a school district or county college with 25 years of service. The State paid \$110.3 million toward Chapter 126 benefits for 11,747 eligible retired members in Fiscal Year 2007.

Note 12: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2008, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$1,629,121 and \$1,561,053, respectively.

Note 13: RISK MANAGEMENT

The School 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 School 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.

Note 13: RISK MANAGEMENT (CONT'D)

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

The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2008	-	\$ 46,521.65	\$ 116,468.43	\$ 71,246.69
2007	-	48,468.26	94,551.45	137,664.30
2006	-	45,227.51	123,852.60	176,806.39

Note 14: DEFERRED COMPENSATION

The Board offers its employees a choice of seven deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit 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; Dean Witter; The Equitable; Investments Advisors;
Thomas Seeley; Midland National; First Investors; and Vanguard

Note 15: COMPENSATED ABSENCES

The School 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.

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2008 the liability for compensated absences in the governmental and proprietary fund types was \$1,319,957.88 and \$48,527.57, respectively.

Note 16: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2008:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 863,552.95	
Capital Projects		\$ 41,455.45
Proprietary		809,442.08
Fiduciary	14,539.26	27,194.68
	<u>\$ 878,092.21</u>	<u>\$ 878,092.21</u>

Note 17: CAPITAL DEBT REFUNDING

On January 16, 2008, the School District issued \$1,947,000.00 in General Obligation Bonds with an interest rate of 4.25% to advance refund \$1,962,000.00 of outstanding 1998 Series bonds with an interest rate of 4.75%. The net proceeds of \$2,072,795.67 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 Series bonds. As a result, the 1998 Series bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group.

The School District advance refunded the 1998 Series bonds to reduce its total debt service payments over the next ten years by almost \$15,000.00 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$124,845.26.

Note 18: PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. As of June 30, 2008, \$31,802,000 of bonds outstanding is considered defeased.

Note 19: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$4,407.00 in the Special Revenue Fund as of June 30, 2008 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balance deficit does not alone indicate that the school district is facing financial difficulties.

Note 19: DEFICIT FUND BALANCES (CONT'D)

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$4,407.00 is equal to the last state aid payment.

Note 20: DEFICIT UNRESTRICTED NET ASSETS

The Governmental Funds had a deficit in unrestricted net assets of \$660,547.21 as of June 30, 2008. This deficit is attributable to the allocation of compensated absences payable and bonds payable on the early retirement incentive plan to unrestricted net assets.

Note 21: SALE AND LEASE-BACK CONTRACTS

N.J.S.A. 18A:20-4.2 authorizes school districts to enter into sale and lease-back contracts on certain instructional materials (i.e. textbooks). Pursuant with N.J.S.A. 18A:20-4.2, the Board entered into a sale and lease-back contract of textbooks totaling \$350,000.00 on June 30, 2004. The lease-back contract term is five years at an interest rate of 5.53%. In addition, the District entered into an additional sale and lease-back contract of textbooks totaling \$1,150,000.00 on July 8, 2004. The lease-back contract term is five years at an interest rate of 5.53%

Note 22: FUND BALANCES**RESERVED**

Reservations of fund balances of governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Specific reservations of the fund balance are summarized below:

Reserved for Encumbrances - The reserve for encumbrances was created to represent encumbrances outstanding at the end of the fiscal year based on purchase orders and contracts signed by the School District but not completed as of the close of the fiscal year.

Reserved for Legally Restricted Appropriations - In accordance with N.J.S.A. 18A:7F-7(e), the Board adopted a resolution to restrict fund balance in the amount of \$393,891.84 which represents the proceeds from the 2004-2005 sale/lease-back of textbooks net of the principal repayments.

Reserved for Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of Reserved Fund Balance - Excess Surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). The excess fund balance at June 30, 2008 is \$430,330.84. Additionally, \$382,019.59 of excess fund balance generated during 2006-2007 has been restricted and designated for utilization in the 2008-2009 budget.

Reserved for Capital Reserve Account - As of June 30, 2008, the balance in the capital reserve account is \$1,696,951.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

Note 22: FUND BALANCES (CONT'D)**UNRESERVED**

General Fund - Of the \$2,687,618.06 unreserved General Fund fund balance at June 30, 2008, \$1,417,010.41 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2009 and \$1,270,607.65 is undesignated.

Debt Service Fund - The Debt Service Fund fund balance at June 30, 2008 of \$18,785.89 is unreserved and undesignated.

Note 23: LITIGATION

The School District is a defendant in legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 29,655,998.00	\$ -	\$ 29,655,998.00	\$ 29,655,998.00	
Transportation	571,876.00		571,876.00	782,000.00	\$ 210,124.00
Miscellaneous	464,156.00		464,156.00	669,195.48	205,039.48
Total - Local Sources	30,692,030.00		30,692,030.00	31,107,193.48	415,163.48
State Sources:					
Core Curriculum Standards Aid	16,925,545.00		16,925,545.00	16,925,545.00	
Supplemental Core Curriculum Standards Aid	2,794,745.00		2,794,745.00	2,794,745.00	
Transportation Aid	1,616,934.00		1,616,934.00	1,616,934.00	
Special Education Aid	2,310,624.00		2,310,624.00	2,310,624.00	
Bilingual Education Aid	16,352.00		16,352.00	16,352.00	
Stabilization Aid	276,936.00		276,936.00	276,936.00	
Consolidated Aid	454,460.00		454,460.00	454,460.00	
Additional Formula Aid	1,497,481.00		1,497,481.00	1,497,481.00	
Other State Aid - Above Average Enrollment Growth	648,543.00	(434,500.00)	214,043.00	214,043.00	(434,500.00)
Other State Aid - Targeted At-Risk Aid		434,500.00	434,500.00	106,854.00	106,854.00
Other State Aid - Extraordinary Aid					
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				1,561,053.00	1,561,053.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				1,629,121.00	1,629,121.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,701,560.64	1,701,560.64
Total - State Sources	26,541,620.00		26,541,620.00	31,105,708.64	4,564,088.64
Total Revenues	57,233,650.00	-	57,233,650.00	62,212,902.12	4,979,252.12
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	14,338,643.00	(400,756.05)	13,937,886.95	13,770,400.57	167,486.38

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 204,200.00	\$ 125,000.00	\$ 329,200.00	\$ 326,659.81	\$ 2,540.19
Purchased Professional - Educational Services	108,405.00	67,000.00	175,405.00	152,834.41	22,570.59
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	48,980.00	346,000.00	346,000.00	342,487.60	3,512.40
Purchased Technical Services	248,376.00	(26,000.00)	22,980.00	7,089.70	15,890.30
Other Purchased Services (400-500 Series)	852,683.00	135,874.12	988,557.12	187,094.66	61,281.34
General Supplies	264,002.00	75,120.28	339,122.28	905,977.04	82,580.08
Textbooks				324,118.62	15,003.66
Total Regular Programs	16,065,289.00	322,238.35	16,387,527.35	16,016,662.41	370,864.94
Special Education - Instruction:					
Learning and / or Language Disabilities:					
Salaries of Teachers	1,145,768.00	6,212.11	1,151,980.11	1,143,803.93	8,176.18
Other Salaries for Instruction	346,744.00	(45,000.00)	301,744.00	294,488.46	7,255.54
General Supplies	18,500.00		18,500.00	18,475.63	24.37
Textbooks	19,000.00		19,000.00	18,972.74	27.26
Total Learning and / or Language Disabilities	1,530,012.00	(38,787.89)	1,491,224.11	1,475,740.76	15,483.35
Behavioral Disabilities:					
Salaries of Teachers	172,257.00	75,450.21	247,707.21	238,735.81	8,971.40
Other Salaries for Instruction	130,540.00	(22,000.00)	108,540.00	107,131.77	1,408.23
General Supplies	16,500.00	22,665.00	39,165.00	39,012.76	152.24
Textbooks	14,825.00		14,825.00	14,676.59	148.41
Total Behavioral Disabilities	334,122.00	76,115.21	410,237.21	399,556.93	10,680.28
Multiple Disabilities:					
Salaries of Teachers	285,685.00	295.02	285,980.02	275,134.22	10,845.80
Other Salaries for Instruction	80,100.00	125,000.00	205,100.00	153,936.57	51,163.43
General Supplies	15,200.00		15,200.00	15,200.00	
Total Multiple Disabilities	380,985.00	125,295.02	506,280.02	444,270.79	62,009.23

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Resource Room / Resource Center:					
Salaries of Teachers	\$ 871,262.00	\$ 105,998.99	\$ 977,260.99	\$ 946,114.61	\$ 31,146.38
Other Salaries for Instruction	259,153.00	100,000.00	359,153.00	308,054.22	51,098.78
Total Resource Room / Resource Center	1,130,415.00	205,998.99	1,336,413.99	1,254,168.83	82,245.16
Total Special Education - Instruction	3,375,534.00	368,621.33	3,744,155.33	3,573,737.31	170,418.02
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	154,206.00	20,000.00	174,206.00	156,488.80	17,717.20
Other Salaries for Instruction	105,150.00		105,150.00	99,092.11	6,057.89
General Supplies	18,000.00	36,000.00	54,000.00	53,535.46	464.54
Textbooks	23,000.00		23,000.00	22,685.51	314.49
Total Basic Skills / Remedial - Instruction	300,356.00	56,000.00	356,356.00	331,801.88	24,554.12
Bilingual Education - Instruction:					
Salaries of Teachers	8,000.00	8,500.00	8,500.00	5,986.86	2,513.14
Purchased Professional - Educational Services			8,000.00	6,826.55	1,173.45
Total Bilingual Education - Instruction	8,000.00	8,500.00	16,500.00	12,813.41	3,686.59
School Sponsored Cocurricular Activities - Instruction:					
Salaries	335,296.00	33,798.00	369,094.00	368,615.78	478.22
Purchased Services	47,130.00	(13,000.00)	34,130.00	32,733.20	1,396.80
Supplies and Materials	59,100.00	23,824.42	82,924.42	42,032.07	40,892.35
Other Objects	23,890.00	(1,200.00)	22,690.00	19,469.74	3,220.26
Total School Sponsored Cocurricular Activities - Instruction	465,416.00	43,422.42	508,838.42	462,850.79	45,987.63

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	\$ 1,054,595.00	\$ (48,078.20)	\$ 1,006,516.80	\$ 973,977.78	\$ 32,539.02
Purchased Services	209,781.00	28,203.00	237,984.00	202,467.08	35,516.92
Supplies and Materials	172,875.00	19,016.56	191,891.56	177,139.73	14,751.83
Other Objects	67,000.00	(1,910.00)	65,090.00	53,017.85	12,072.15
Total School Sponsored Athletics - Instruction	1,504,251.00	(2,768.64)	1,501,482.36	1,406,602.44	94,879.92
Other Instructional Programs - Instruction:					
Salaries	211,701.00	29,979.13	241,680.13	207,548.00	34,132.13
Purchased Services	19,925.00		19,925.00	18,462.60	1,462.40
Supplies and Materials	2,600.00	800.00	3,400.00	766.81	2,633.19
Total Other Instructional Programs - Instruction	234,226.00	30,779.13	265,005.13	226,777.41	38,227.72
Total Instruction	21,953,072.00	826,792.59	22,779,864.59	22,031,245.65	748,618.94
Work Study Program:					
Salaries		1,300.00	1,300.00	1,300.00	-
Community Services Programs / Operations:					
Salaries	750.00		750.00		750.00
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular		24,000.00	24,000.00	23,966.21	33.79
Tuition to Other LEA's Within State - Special	75,206.00		75,206.00	72,572.09	2,633.91
Tuition to County Voc. School District - Regular	702,000.00	(61,000.00)	641,000.00	607,950.00	33,050.00
Tuition to CSSD and Regional Day Schools	1,635,264.00	36,335.00	1,671,599.00	1,272,800.39	398,798.61
Tuition to Private Schools for the Disabled - Within State	2,396,760.00	(273,102.00)	2,123,658.00	2,055,178.03	68,479.97
Tuition to Private Schools for the Disabled and Other LEA's Outside State	181,188.00	(15,000.00)	166,188.00	72,124.40	94,063.60
Tuition - State Facilities	450,934.00	62,102.00	513,036.00	513,036.00	
Tuition - Other	75,050.00	15,000.00	90,050.00	51,410.66	38,639.34
Total Undistributed Expenditures - Instruction	5,516,402.00	(211,665.00)	5,304,737.00	4,669,037.78	635,699.22

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 98,542.00	\$ (24,364.14)	\$ 74,177.86	\$ 68,301.18	\$ 5,876.68
Purchased Professional and Technical Services	185,844.00	55,000.00	240,844.00	227,472.54	13,371.46
Purchased Services	3,000.00		3,000.00	1,003.68	1,996.32
Supplies and Materials	1,000.00		1,000.00	481.25	518.75
Total Undistributed Expenditures - Attendance and Social Work	288,386.00	30,635.86	319,021.86	297,258.65	21,763.21
Undistributed Expenditures - Health Services:					
Salaries	325,588.00	19,033.00	344,621.00	310,624.66	33,996.34
Purchased Professional and Educational Services		30,660.00	30,660.00	1,011.78	29,648.22
Other Purchased Services	200.00		200.00		200.00
Supplies and Materials	7,536.00		7,536.00	5,143.84	2,392.16
Other Objects	920.00		920.00	566.00	354.00
Total Undistributed Expenditures - Health Services	334,244.00	49,693.00	383,937.00	317,346.28	66,590.72
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Purchased Professional - Educational Services	284,000.00		284,000.00	250,685.60	33,314.40
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	241,024.00	18,000.00	259,024.00	248,688.79	10,335.21
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	1,368,929.00	41,581.65	1,410,510.65	1,404,225.11	6,285.54
Salaries of Secretarial and Clerical Assistants	248,171.00	21,000.00	269,171.00	259,969.05	9,201.95
Other Salaries	89,194.00		89,194.00	86,656.12	2,537.88
Purchased Professional and Technical Services	25,200.00	19,027.06	44,227.06	23,936.58	20,290.48
Other Purchased Services	4,000.00		4,000.00		4,000.00
Supplies and Materials	21,107.00	27,889.86	48,996.86	47,812.39	1,184.47
Total Undistributed Expenditures - Other Support Services - Students - Regular	1,756,601.00	109,498.57	1,866,099.57	1,822,599.25	43,500.32

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	\$ 725,931.00	\$ 53,892.99	\$ 779,823.99	\$ 752,510.15	\$ 27,313.84
Salaries of Secretarial and Clerical Assistants	119,716.00		119,716.00	119,715.00	1.00
Purchased Professional - Educational Services	35,000.00		35,000.00	33,683.00	1,317.00
Other Purchased Services	16,880.00		16,880.00	9,180.00	7,700.00
Supplies and Materials	12,395.00	5,866.14	18,261.14	18,070.43	190.71
Total Undistributed Expenditures - Other Support Services - Students - Special:	909,922.00	59,759.13	969,681.13	933,158.58	36,522.55
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,227,412.00	6,000.00	1,233,412.00	1,229,417.09	3,994.91
Salaries of Secretarial and Clerical Assistants	57,053.00		57,053.00	56,151.00	902.00
Other Purchased Services	45,750.00		45,750.00	29,844.11	15,905.89
Supplies and Materials	5,250.00		5,250.00	4,680.63	569.37
Other Objects	1,500.00		1,500.00	743.87	756.13
Total Undistributed Expenditures - Improvement of Instruction Services	1,336,965.00	6,000.00	1,342,965.00	1,320,836.70	22,128.30
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	721,943.00	19,292.71	741,235.71	721,493.62	19,742.09
Purchased Professional and Technical Services	81,870.00	29,199.29	111,069.29	111,069.29	
Other Purchased Services	103,700.00	6,100.00	109,800.00	105,973.14	3,826.86
Supplies and Materials	170,000.00	(10,450.00)	159,550.00	154,703.00	4,847.00
Total Undistributed Expenditures - Educational Media Services / School Library	1,077,513.00	44,142.00	1,121,655.00	1,093,239.05	28,415.95
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	15,000.00	3,000.00	18,000.00	4,916.26	13,083.74
Purchased Professional - Educational Services	7,987.00	(3,000.00)	4,987.00	4,987.00	
Supplies and Materials	1,000.00		1,000.00	875.63	124.37
Total Undistributed Expenditures - Instructional Staff Training Services:	23,987.00		23,987.00	10,778.89	13,208.11

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 349,599.00	\$ (40,000.00)	\$ 309,599.00	\$ 259,555.52	\$ 50,043.48
Legal Services	119,000.00	(15,000.00)	104,000.00	102,439.92	1,560.08
Audit Fees	77,250.00	3,351.10	80,601.10	80,601.10	
Other Purchased Professional Services	70,648.00	39,628.94	110,276.94	89,204.61	21,072.33
Purchased Technical Services	46,840.00		46,840.00	40,992.90	5,847.10
Communications / Telephone	233,615.00	(35,994.21)	197,620.79	150,084.20	47,536.59
BOE Other Purchased Services	11,000.00		11,000.00	7,562.35	3,437.65
Other Purchased Services	112,835.00	35,000.00	147,835.00	145,976.07	1,858.93
Supplies and Materials	11,000.00	457.50	11,457.50	6,420.58	5,036.92
Judgments Against School District		82,500.00	82,500.00	77,500.00	5,000.00
Miscellaneous Expenditures	44,891.00		44,891.00	42,418.36	2,472.64
Total Undistributed Expenditures - Support Services - General Administration	1,076,678.00	69,943.33	1,146,621.33	1,002,755.61	143,865.72
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	1,416,764.00		1,416,764.00	1,399,332.56	17,431.44
Salaries of Secretarial and Clerical Assistants	911,276.00	48,000.00	959,276.00	938,361.97	20,914.03
Purchased Professional and Technical Services					
Other Purchased Services	18,900.00		18,900.00	7,312.66	11,587.34
Supplies and Materials	34,946.00	(3,700.00)	31,246.00	29,417.50	1,828.50
Other Objects	26,550.00		26,550.00	18,409.62	8,140.38
Total Undistributed Expenditures - Support Services - School Administration	2,408,436.00	44,300.00	2,452,736.00	2,392,834.31	59,901.69

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - Central	\$ 554,416.00	\$ (50,000.00)	\$ 504,416.00	\$ 495,418.13	\$ 8,997.87
Services:					
Salaries	63,652.00		63,652.00	38,679.18	24,972.82
Purchased Technical Services	6,700.00		6,700.00	1,869.55	4,830.45
Purchased Services	16,826.00	590.00	17,416.00	15,325.20	2,090.80
Supplies and Materials	358,341.00		358,341.00	358,340.72	0.28
Interest on Lease Purchase Agreements	6,575.00		6,575.00	6,354.41	220.59
Miscellaneous Expenditures					
Total Undistributed Expenditures - Support Services - Central	1,006,510.00	(49,410.00)	957,100.00	915,987.19	41,112.81
Undistributed Expenditures - Support Services - Administrative					
Information Technology:					
Salaries	271,592.00	(39,000.00)	232,592.00	229,490.46	3,101.54
Purchased Technical Services	18,000.00	5,947.62	23,947.62	9,956.75	13,990.87
Purchased Services	6,500.00		6,500.00	6,500.00	6,500.00
Supplies and Materials	12,000.00	95,000.00	95,000.00	88,993.01	6,006.99
Other Objects		385.00	12,385.00	11,318.14	1,066.86
Total Undistributed Expenditures - Support Services - Administrative	308,092.00	62,332.62	370,424.62	339,758.36	30,666.26
Undistributed Expenditures - Required Maintenance for School					
Facilities:					
Salaries	745,041.00	(37,500.00)	707,541.00	702,890.18	4,650.82
Cleaning, Repair and Maintenance Services	126,550.00	48,646.62	175,196.62	71,287.35	103,909.27
General Supplies	167,683.00	(100,902.15)	66,780.85	50,531.49	16,249.36
Total Undistributed Expenditures - Required Maintenance for School	1,039,274.00	(89,755.53)	949,518.47	824,709.02	124,809.45

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	\$ 1,994,456.00	\$ (58,728.70)	\$ 1,935,727.30	\$ 1,934,186.08	\$ 1,541.22
Purchased Professional and Technical Services	116,610.00	463,564.93	580,174.93	104,837.21	475,337.72
Cleaning, Repair and Maintenance Services	170,950.00	727,243.95	898,193.95	772,488.34	125,705.61
Rental of Land and Building Other than Lease Purchase	16,838.00	(13,500.00)	3,338.00		3,338.00
Other Purchased Property Services	240,000.00	(54,112.00)	185,888.00	177,764.81	8,123.19
Insurance	326,005.00	(90,000.00)	236,005.00	229,313.00	6,692.00
Miscellaneous Purchased Services	9,650.00	(2,391.00)	7,259.00	2,984.00	4,275.00
General Supplies	267,305.00	161,293.93	428,598.93	406,568.87	22,030.06
Energy (Heat and Electricity)	1,433,030.00	(24,590.26)	1,408,439.74	1,388,212.49	20,227.25
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	4,574,844.00	1,108,780.85	5,683,624.85	5,016,354.80	667,270.05
Undistributed Expenditures - Student Transportation Services:					
Lease Purchase Payments - School Buses	15,727.00	(15,000.00)	727.00		727.00
Contracted Services (Between Home & School) - Vendors	273,345.00		273,345.00	216,801.80	56,543.20
Contracted Services - (Other than Between Home and School) - Vendors	267,915.00	23,017.50	290,932.50	290,670.56	261.94
Contracted Services (Bet Home & School)-Joint Agreements	1,538,257.00	302,781.50	1,841,038.50	1,836,966.81	4,071.69
Contracted Services (Special Education Students) - Jt. Agrmnts	1,305,336.00	29,261.50	1,334,597.50	1,178,377.13	156,220.37
Contracted Services - Aid in Lieu of Payments	205,052.00	(14,653.00)	190,399.00	174,630.71	15,768.29
Total Undistributed Expenditures - Student Transportation Services	3,605,632.00	325,407.50	3,931,039.50	3,697,447.01	233,592.49
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	830,258.00		830,258.00	697,213.62	133,044.38
Other Retirement Contributions - Regular	303,760.00	95,378.40	399,138.40	399,138.40	
Workers Compensation	631,956.00	(115,378.40)	516,577.60	513,561.00	3,016.60
Health Benefits	7,403,934.00	(234,000.00)	7,169,934.00	6,995,749.09	174,184.91
Tuition Reimbursement	123,825.00		123,825.00	102,245.25	21,579.75
Other Employee Benefits	255,610.00	42,400.00	298,010.00	157,651.54	140,358.46
Total Unallocated Benefits	9,549,343.00	(211,600.00)	9,337,743.00	8,865,558.90	472,184.10

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				\$ 1,561,053.00	\$ (1,561,053.00)
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				1,629,121.00	(1,629,121.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,701,560.64	(1,701,560.64)
Total On-behalf Contributions				4,891,734.64	(4,891,734.64)
Total Undistributed Expenditures	\$ 35,337,853.00	\$ 1,366,062.33	\$ 36,703,915.33	38,910,769.41	(2,206,854.08)
Total Current Expense	57,291,675.00	2,194,154.92	59,485,829.92	60,943,315.06	(1,457,485.14)
Capital Outlay:					
Equipment:					
Grades 9-12	25,535.00	(9,302.00)	16,233.00	9,337.00	6,896.00
Special Education - Behavioral Disabilities	22,000.00	19,404.00	41,404.00		41,404.00
Basic Skills/Remedial		36,000.00	36,000.00		36,000.00
School Sponsored and Other Instructional Programs		10,146.00	10,146.00	10,146.00	
Undistributed Expenditures:					
Other Support Services - Student Related & Extraordinary	234,400.00	379,748.25	614,148.25	399,998.01	214,150.24
Total Equipment	281,935.00	435,996.25	717,931.25	419,481.01	298,450.24
Facilities Acquisition and Construction Services:					
Construction Services	1,362,333.00	129,805.22	1,492,138.22	1,318,367.38	173,770.84
Total Facilities Acquisition and Construction Services	1,362,333.00	129,805.22	1,492,138.22	1,318,367.38	173,770.84
Total Capital Outlay	1,644,268.00	565,801.47	2,210,069.47	1,737,848.39	472,221.08

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	\$ 28,560.00		\$ 28,560.00	22,285.13	\$ 6,274.87
Total Summer School - Instruction	28,560.00		28,560.00	22,285.13	6,274.87
Special Education - Behavioral Disabilities					
Salaries of Teachers	71,468.00	\$ 3,720.12	75,188.12	45,913.18	29,274.94
Other Salaries for Instruction	23,220.00		23,220.00	18,818.75	4,401.25
Supplies and Materials	1,500.00		1,500.00	1,178.12	321.88
Textbooks	1,000.00		1,000.00		1,000.00
Support Services - Other Salaries	56,244.00	3,123.20	59,367.20	46,478.47	12,888.73
Total Special Education - Behavioral Disabilities	153,432.00	6,843.32	160,275.32	112,388.52	47,886.80
Accredited Evening / Adult High School - Instruction:					
Salaries of Teachers	9,263.00	-	9,263.00	4,955.04	4,307.96
Total Adult Education - Local	9,263.00		9,263.00	4,955.04	4,307.96
Total Special Schools	191,255.00	6,843.32	198,098.32	139,628.69	58,469.63
Total Expenditures	59,127,198.00	2,766,799.71	61,893,997.71	62,820,792.14	(926,794.43)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,893,548.00)	(2,766,799.71)	(4,660,347.71)	(607,890.02)	4,052,457.69
Other Financing Sources (Uses):					
Operating Transfers:					
Transfer to Food Service Fund - Board Contribution	(258,625.00)		(258,625.00)	(258,625.00)	434,500.00
Transfer from Special Revenue Fund - TARA				434,500.00	
Total Other Financing Sources (Uses)	(258,625.00)	-	(258,625.00)	175,875.00	434,500.00

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (2,152,173.00)	\$ (2,766,799.71)	\$ (4,918,972.71)	\$ (432,015.02)	\$ 4,486,957.69
Fund Balances, July 1	6,853,552.29		6,853,552.29	6,853,552.29	
Fund Balances, June 30	\$ 4,701,379.29	\$ (2,766,799.71)	\$ 1,934,579.58	\$ 6,421,537.27	\$ 4,486,957.69
Recapitulation:					
Capital Reserve				\$ 1,696,951.00	
Reserve for Encumbrances				830,725.94	
Reserve for Excess Surplus				430,330.84	
Legally Restricted - Designated for Sale/Lease-back of Textbooks Reserve				393,891.84	
Excess Surplus - Designated for Subsequent Year's Expenditures				382,019.59	
Unreserved - Designated for Subsequent Year's Expenditures				1,417,010.41	
Undesignated Fund Balance				1,270,607.65	
Reconciliation to Governmental Funds Statements (GAAP):				6,421,537.27	
Last State Aid Payment not Recognized on GAAP Basis				(1,236,756.00)	
Fund Balance per Governmental Funds (GAAP)				\$ 5,184,781.27	

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources:					
ISA	\$ 88,137.00		\$ 88,137.00	\$ 88,137.00	
Targeted At-Risk Aid	434,500.00		434,500.00	434,500.00	
Total - State Sources	522,637.00	-	522,637.00	522,637.00	
Federal Sources:					
No Child Left Behind					
Title I	105,757.00		105,757.00	80,672.01	\$ (25,084.99)
Title I - Summer	4,000.00		4,000.00	4,000.00	
Title I - Carry Over	16,644.48		16,644.48	4,239.50	(7,049.10)
Title II - Part A	61,295.00		61,295.00	54,245.90	(6,536.00)
Title II - Part A - Carry Over	7,196.00		7,196.00	660.00	(313.00)
Title II - Part D	719.00		719.00	406.00	
Title II - Part D - Summer	488.00		488.00	488.00	
Title III	21,117.00		21,117.00	14,034.85	(7,082.15)
Title IV	9,775.00		9,775.00	9,000.00	(775.00)
Title V	4,648.00		4,648.00	4,318.00	(330.00)
I.D.E.I.A., Part B	844,314.00		844,314.00	713,561.06	(130,752.94)
I.D.E.I.A., Part B - Summer	84,987.96		84,987.96	84,987.96	
Carl D. Perkins Vocational and Technical Education Act	79,998.00		79,998.00	79,998.00	
Total - Federal Sources	1,240,939.44	-	1,240,939.44	1,050,611.28	(190,328.16)
Total Revenues	1,763,576.44	-	1,763,576.44	1,573,248.28	(190,328.16)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	160,181.00		160,181.00	144,501.30	15,679.70
Other Salaries for Instruction	49,587.00		49,587.00	41,591.00	7,996.00
Purchased Professional and Technical Services	126,460.00		126,460.00	113,814.00	12,646.00
Other Purchased Services (400-500 series)	821,841.96		821,841.96	698,735.02	123,106.94
General Supplies	85,539.00		85,539.00	83,917.41	1,621.59
Total Instruction	1,243,608.96	-	1,243,608.96	1,082,558.73	161,050.23

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Support Services:					
Other Salaries	\$ 9,227.00		\$ 9,227.00	\$ 9,227.00	
Personal Services - Employee Benefits	29,207.00		29,207.00	20,675.05	8,531.95
Purchased Professional - Educational Services	9,602.00		9,602.00	195.00	9,407.00
Purchased Technical Services	31,485.48		31,485.48	20,146.50	11,338.98
Other Purchased Services (400-500 series)	5,946.00		5,946.00	5,946.00	
Total Support Services	85,467.48	-	85,467.48	56,189.55	29,277.93
Total Expenditures	1,329,076.44	-	1,329,076.44	1,138,748.28	190,328.16
Other Financing Uses Transfer To Other Funds	434,500.00		434,500.00	434,500.00	
Total Outflows	1,763,576.44		1,763,576.44	1,573,248.28	190,328.16
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ended June 30, 2008

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) "revenues" from the budgetary comparison schedules	\$ 62,212,902.12	\$ 1,573,248.28
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	1,175,105.00	4,407.00
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(1,236,756.00)</u>	<u>(4,407.00)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 62,151,251.12</u>	<u>\$ 1,573,248.28</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 62,820,792.14	\$ 1,138,748.28
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 62,820,792.14</u>	<u>\$ 1,138,748.28</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2008

	No Child Left Behind						Total Carried Forward	
	Title I		Title II		Title III			
	2007-2008	Summer 2006-2007	2007-2008	Carry Over 2006-2007	2007-2008	Summer 2006-2007		
REVENUES:								
Federal Sources	\$ 80,672.01	\$ 4,000.00	\$ 54,245.90	\$ 660.00	\$ 406.00	\$ 488.00	\$ 14,034.85	\$ 158,746.26
State Sources								
Total Revenues	\$ 80,672.01	\$ 4,000.00	\$ 54,245.90	\$ 660.00	\$ 406.00	\$ 488.00	\$ 14,034.85	\$ 158,746.26
EXPENDITURES:								
Instruction:								
Salaries of Teachers	\$ 46,839.35		\$ 41,591.00				\$ 5,206.95	\$ 52,046.30
Other Salaries for Instruction								41,591.00
Purchased Professional and Technical Services								
Other Purchased Services (400-500 series)	12,705.81		3,043.70				8,827.90	24,577.41
General Supplies	59,545.16		44,634.70	-			14,034.85	118,214.71
Total Instruction	118,090.32		89,269.40				28,069.70	217,369.42
Support Services:								
Personal Services - Employee Benefits	10,550.85		9,416.20					19,967.05
Purchased Professional - Educational Services	5,288.00	4,000.00	195.00					195.00
Purchased Technical Services	5,288.00	4,239.50		\$ 660.00	\$ 406.00	\$ 488.00		15,081.50
Other Purchased Services (400-500 series)								5,288.00
Total Support Services	21,126.85	4,000.00	9,611.20	660.00	406.00	488.00		40,531.55
Total Expenditures	80,672.01	4,000.00	54,245.90	660.00	406.00	488.00	14,034.85	158,746.26
Other Financing Uses								
Transfer From Other Funds								
Total Outflows	80,672.01	4,000.00	54,245.90	660.00	406.00	488.00	14,034.85	158,746.26
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2008

	No Child Left Behind		C.D. Perkins Vocational & Applied Technology	I.D.E.I.A. Part B Basic		Targeted At Risk Aid	Instructional Supplemental Aid	Total
	Title IV 2007-2008	Title V 2007-2008		2007-2008	2006-2007			
REVENUES:								
Total Brought Forward								
Federal Sources	\$ 158,746.26	\$ 9,000.00	\$ 79,998.00	\$ 713,561.06	\$ 84,987.96	\$ 434,500.00	\$ 88,137.00	\$ 1,050,611.28
State Sources								522,637.00
Total Revenues	\$ 158,746.26	\$ 9,000.00	\$ 79,998.00	\$ 713,561.06	\$ 84,987.96	\$ 434,500.00	\$ 88,137.00	\$ 1,573,248.28
EXPENDITURES:								
Instruction:								
Salaries of Teachers	\$ 52,046.30	\$ 4,318.00	\$ 79,998.00	\$ 713,561.06	\$ 84,987.96	\$ 434,500.00	\$ 88,137.00	\$ 144,501.30
Other Salaries for Instruction	41,591.00							41,591.00
Purchased Professional and Technical Services				\$ 104,814.00				113,814.00
Other Purchased Services (400-500 series)		\$ 9,000.00	\$ 5,000.00	608,747.06	\$ 84,987.96			688,735.02
General Supplies	24,577.41		59,340.00					83,917.41
Total Instruction	118,214.71	4,318.00	64,340.00	713,561.06	84,987.96	-	88,137.00	1,082,558.73
Support Services:								
Other Salaries								9,227.00
Personal Services - Employee Benefits	19,967.05							20,675.05
Purchased Professional - Educational Services	195.00							195.00
Purchased Technical Services	15,081.50							20,146.50
Other Purchased Services (400-500 series)	5,288.00							5,946.00
Total Support Services	40,531.55		15,658.00					56,189.55
Total Expenditures	158,746.26	9,000.00	79,998.00	713,561.06	84,987.96	-	88,137.00	1,138,748.28
Other Financing Uses								
Transfer To Other Funds						434,500.00		434,500.00
Total Outflows	158,746.26	9,000.00	79,998.00	713,561.06	84,987.96	434,500.00	88,137.00	1,573,248.28
Excess (Deficiency) of Revenues Over (Under) Expenditures								

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 Statement of Instructional Supplemental Aid
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2008

	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 88,137.00	\$ 88,137.00	_____
Total Expenditures	<u>\$ 88,137.00</u>	<u>\$ 88,137.00</u>	<u>_____</u>

Calculation of Budget and Carryover

Total 2007-2008 Instructional Supplemental Aid Allocation	\$ 88,137.00	
Actual Instructional Supplemental Aid Carryover (June 30, 2007)		_____
Total Instructional Supplemental Aid Available for 2007-2008 Budget		88,137.00
Less: 2007-2008 Budgeted ISA (Including prior year budget carryover)		<u>88,137.00</u>
Available and Unbudgeted Instructional Supplemental Aid as of June 30, 2008		
Add: 2007-2008 Unexpended Instructional Supplemental Aid		_____
2007-2008 Carryover Available for Transfer to the G/F		<u>_____</u>
2007-2008 Instructional Supplemental Aid Carryover Budgeted in 2008-2009		<u>_____</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Special Revenue Fund
 Schedule of Targeted At-Risk (TARA) Aid
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2008

	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Calculation of Budget and Carryover

Total 2007-2008 TARA Allocation	\$ 434,500.00
Less: TARA Transferred to General Fund - Tax Relief	<u>(434,500.00)</u>
TARA Available for 2007-2008 Program Budget	-
2007-2008 TARA Expended/Obligated	<u> </u>
2007-2008 Actual Carryover - TARA	<u>\$ -</u>
2007-2008 TARA Carryover Budgeted as Unrestricted General Fund Revenue for 2008-2009	<u>\$ -</u>

PROPRIETARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Net Assets
 June 30, 2008

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 861,888.55
Accounts Receivable:	
State	3,670.06
Federal	57,018.90
Local School District	41,236.61
Inventories	<u>17,419.86</u>
Total Current Assets	<u>981,233.98</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	595,332.74
Less Accumulated Depreciation	<u>(550,283.11)</u>
Total Noncurrent Assets	<u>45,049.63</u>
Total Assets	<u>1,026,283.61</u>
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	809,442.08
Accounts Payable	<u>266.93</u>
Total Current Liabilities	<u>809,709.01</u>
Noncurrent Liabilities:	
Compensated Absences Payable	<u>48,527.57</u>
Total Liabilities	<u>858,236.58</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	45,049.63
Unrestricted	<u>122,997.40</u>
Total Net Assets	<u><u>\$ 168,047.03</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
 For the Fiscal Year Ended June 30, 2008

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 462,967.20
Daily Sales - Non-Reimbursable Programs	560,816.85
Special Functions	198,756.48
	1,222,540.53
Total Operating Revenues	1,222,540.53
OPERATING EXPENSES:	
Salaries	779,432.27
Employee Benefits	285,645.91
General Supplies	70,793.50
Depreciation	46,874.78
Miscellaneous	8,625.00
Repair	4,902.55
Management Fee	74,000.08
Cost of Sales	621,603.63
	1,891,877.72
Total Operating Expenses	1,891,877.72
Operating Income / (Loss)	(669,337.19)
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	15,916.18
State School Breakfast Program	3,310.30
Federal Sources:	
National School Lunch Program	263,716.34
National School Breakfast Program	33,327.03
Food Distribution Program	63,027.61
Interest and Investment Revenue	16,934.33
	396,231.79
Total Nonoperating Revenues	396,231.79
Income (Loss) before Contributions and Transfers	(273,105.40)
Operating Transfers In (Out) - General Fund	258,625.00
Change in Net Assets (Loss)	(14,480.40)
Net Assets -- July 1	182,527.43
Net Assets -- June 30	\$ 168,047.03

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2008

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 1,186,221.42
Payments to Employees	(354,175.80)
Payments for Employee Benefits	(278,933.09)
Payments to Vendors	<u>(653,031.27)</u>
Net Cash Provided by (used for) Operating Activities	<u>(99,918.74)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	16,837.30
Federal Sources	259,371.62
Operating Subsidies and Transfers to Other Funds	<u>258,625.00</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>534,833.92</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>16,934.33</u>
Net Cash Provided by (used for) Investing Activities	<u>16,934.33</u>
Net Increase (Decrease) in Cash and Cash Equivalents	451,849.51
Cash and Cash Equivalents -- July 1	<u>410,039.04</u>
Cash and Equivalents -- June 30	<u><u>\$ 861,888.55</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (669,337.19)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	46,874.78
Food Distribution Program	63,027.61
(Increase) Decrease in Other Accounts Receivable	(36,319.11)
(Increase) Decrease in Inventories	(8,360.34)
(Increase) Decrease in Refund Receivable	72,401.84
Increase (Decrease) in Accounts Payable	425,080.85
Increase (Decrease) in Other Liabilities	<u>6,712.82</u>
Total Adjustments	<u>569,418.45</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (99,918.74)</u></u>

FIDUCIARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2008

	<u>Trust Funds</u>	<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:				
Cash and Cash Equivalents	\$ 69,362.85	\$ 516,371.06	\$ 24,523.38	\$ 610,257.29
Interfund Accounts Receivable: Due from Payroll	14,539.26			14,539.26
Total Assets	<u>83,902.11</u>	<u>\$ 516,371.06</u>	<u>\$ 24,523.38</u>	<u>624,796.55</u>
LIABILITIES:				
Interfund Payable - General Fund	12,655.42			12,655.42
Interfund Payable - Unemployment Trust Fund Payable to Student Groups		\$ 516,371.06	\$ 14,539.26	14,539.26
Payroll Deductions and Withholdings			9,984.12	9,984.12
Total Liabilities	<u>12,655.42</u>	<u>\$ 516,371.06</u>	<u>\$ 24,523.38</u>	<u>553,549.86</u>
NET ASSETS:				
Held in Trust for Unemployment Claims	71,246.69			71,246.69
Total Net Assets	<u>\$ 71,246.69</u>			<u>\$ 71,246.69</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2008

	Unemployment Compensation <u>Trust</u>	<u>Total</u>
ADDITIONS:		
Payroll Deductions	\$ 46,521.65	\$ 46,521.65
Total Contributions	<u>46,521.65</u>	<u>46,521.65</u>
Investment Earnings: Interest	<u>3,529.17</u>	<u>3,529.17</u>
Net Investment Earnings	<u>3,529.17</u>	<u>3,529.17</u>
Total Additions	<u>50,050.82</u>	<u>50,050.82</u>
DEDUCTIONS:		
Unemployment Claims	<u>116,468.43</u>	<u>116,468.43</u>
Total Deductions	<u>116,468.43</u>	<u>116,468.43</u>
Change in Net Assets	(66,417.61)	(66,417.61)
Net Assets -- July 1	<u>137,664.30</u>	<u>137,664.30</u>
Net Assets -- June 30	<u>\$ 71,246.69</u>	<u>\$ 71,246.69</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2008

	<u>Balance</u> <u>June 30, 2007</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2008</u>
SENIOR HIGH SCHOOLS:				
Highland	\$ 160,367.42	\$ 386,361.94	\$ 412,304.49	\$ 134,424.87
Timber Creek	157,897.96	542,534.79	536,876.01	163,556.74
Triton	<u>228,381.02</u>	<u>388,516.00</u>	<u>398,507.57</u>	<u>218,389.45</u>
Total Senior High Schools	<u>546,646.40</u>	<u>1,317,412.73</u>	<u>1,347,688.07</u>	<u>516,371.06</u>
Total All Schools	<u><u>\$ 546,646.40</u></u>	<u><u>\$ 1,317,412.73</u></u>	<u><u>\$ 1,347,688.07</u></u>	<u><u>\$ 516,371.06</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2008

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
ASSETS:				
Cash and Cash Equivalents	\$ 25,654.36	\$ 34,680,979.25	\$ 34,682,110.23	\$ 24,523.38
Total Assets	<u>\$ 25,654.36</u>	<u>\$ 34,680,979.25</u>	<u>\$ 34,682,110.23</u>	<u>\$ 24,523.38</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 9,885.55	\$ 14,810,277.94	\$ 14,810,179.37	\$ 9,984.12
Net Payroll		19,810,657.20	19,810,657.20	
Interfund Accounts Payable:				
Due General Fund	540.40	\$ 13,522.46	14,062.86	
Due Unemployment Fund	15,228.41	46,521.65	47,210.80	14,539.26
Total Liabilities	<u>\$ 25,654.36</u>	<u>\$ 34,680,979.25</u>	<u>\$ 34,682,110.23</u>	<u>\$ 24,523.38</u>

LONG-TERM DEBT

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Statement of Serial Bonds
 For the Fiscal Year Ended June 30, 2008

	Date of Issue	Amount of Issue	Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2007	Issued	Retired	Balance June 30, 2008
Acquisition of Real Property, Construction of New High School, and Various Capital Improvements	12/01/98	\$ 44,880,000.00	12/01/08	\$ 2,350,000.00	4.750%	\$ 6,562,000.00		\$ 4,212,000.00	\$ 2,350,000.00
Refunding Bonds, Series 2004	08/12/04	31,510,000.00	12/01/08	195,000.00	3.750%				
			12/01/09	2,625,000.00	3.000%				
			12/01/10	2,700,000.00	4.000%				
			12/01/11	2,780,000.00	3.500%				
			12/01/12	2,850,000.00	3.400%				
			12/01/13	1,775,000.00	3.600%				
			12/01/13	1,100,000.00	4.500%				
			12/01/14	2,950,000.00	3.700%				
			12/01/15	3,020,000.00	3.750%				
			12/01/16	3,095,000.00	4.000%				
	12/01/17	3,170,000.00	4.000%						
	12/01/18	3,245,000.00	4.125%						
	12/01/19	1,070,000.00	4.200%			30,760,000.00	185,000.00	30,575,000.00	
Refunding Bonds, Series 2008	01/16/08	1,947,000.00	12/01/19	1,947,000.00	4.250%		\$ 1,947,000.00		1,947,000.00
						<u>\$ 37,322,000.00</u>	<u>\$ 1,947,000.00</u>	<u>\$ 4,397,000.00</u>	<u>\$ 34,872,000.00</u>
							Budget	\$ 2,435,000.00	
							Refunded	1,962,000.00	
								<u>\$ 4,397,000.00</u>	

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2008

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue Principal</u>	<u>Interest</u>	<u>Amount Outstanding July 1, 2008</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2008</u>
Textbook Lease	June 30, 2004	June 30, 2004 to June 30, 2009	5.53%	\$ 350,000.00	\$ 55,463.40	\$ 186,942.90	\$ 71,732.92	\$ 115,209.98
Textbook Lease	July 8, 2004	July 8, 2004 to July 1, 2009	5.53%	1,150,000.00	187,616.18	639,139.77	245,247.93	393,891.84
						<u>\$ 826,082.67</u>	<u>\$ 316,980.85</u>	<u>\$ 509,101.82</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,915,304.00		\$ 1,915,304.00	\$ 1,915,304.00	
State Sources:					
Debt Service Aid Type II	1,934,188.00		1,934,188.00	1,934,188.00	
Total Revenues	3,849,492.00		3,849,492.00	3,849,492.00	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,414,492.00	\$ -	1,414,492.00	1,395,706.11	\$ 18,785.89
Redemption of Principal	2,435,000.00		2,435,000.00	2,435,000.00	
Total Regular Debt Service	3,849,492.00		3,849,492.00	3,830,706.11	18,785.89
Total Expenditures	3,849,492.00		3,849,492.00	3,830,706.11	18,785.89
Excess (Deficiency) of Revenues Over (Under) Expenditures				18,785.89	18,785.89
Fund Balance, July 1					
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 18,785.89	\$ 18,785.89

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1 through J-3 are only presented for the last six fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2003; thus, ten year comparative financial information is unavailable.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Net Assets by Component
 Last Five Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,				
	2008	2007	2006	2005	2004
Governmental Activities:					
Invested in Capital Assets, Net of Related Debt	\$ 15,831,425.59	\$ 13,510,121.73	\$ 12,051,997.27	\$ 11,682,035.28	\$ 10,530,979.85
Restricted	4,160,761.79	2,813,705.47	4,251,973.78	4,170,136.86	784,205.45
Unrestricted	(660,547.21)	775,233.36	(1,258,552.11)	(2,367,641.48)	(2,035,184.39)
Total Governmental Activities Net Assets	\$ 19,331,640.17	\$ 17,099,060.56	\$ 15,045,418.94	\$ 13,484,530.66	\$ 9,280,000.91
Business-type Activities:					
Invested in Capital Assets, Net of Related Debt	\$ 45,049.63	\$ 91,924.41	\$ 138,799.19	\$ 185,673.97	\$ 232,548.75
Restricted	122,997.40	90,603.02	64,684.70	48,440.09	(266,707.92)
Unrestricted					(7,461.70)
Total Business-type Activities Net Assets	\$ 168,047.03	\$ 182,527.43	\$ 203,483.89	\$ 234,114.06	\$ (34,159.17)
District-wide:					
Invested in Capital Assets, Net of Related Debt	\$ 15,876,475.22	\$ 13,602,046.14	\$ 12,190,796.46	\$ 11,867,709.25	\$ 10,763,528.60
Restricted	4,160,761.79	2,813,705.47	4,251,973.78	4,170,136.86	784,205.45
Unrestricted	(537,549.81)	865,836.38	(1,193,867.41)	(2,319,201.39)	(2,301,892.31)
Total District-wide Net Assets	\$ 19,499,687.20	\$ 17,281,587.99	\$ 15,248,902.83	\$ 13,718,644.72	\$ 9,245,841.74

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Changes in Net Assets
 Last Five Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,				
	2008	2007	2006	2005	2004
Expenses:					
Governmental Activities:					
Instruction:					
Regular	\$ 17,890,088.31	\$ 16,597,891.61	\$ 17,237,910.55	\$ 15,864,088.45	\$ 14,758,951.61
Special Education	3,573,737.31	3,163,634.67	3,138,416.88	2,600,639.85	2,702,723.11
Other Special Education	344,615.29	299,508.49	119,802.37	105,347.00	256,777.41
Other Instruction	2,179,084.80	2,067,799.85	1,977,895.74	1,833,281.65	1,713,893.21
Support Services:					
Tuition	4,669,037.78	3,668,247.49	3,668,256.83	3,825,586.41	4,116,494.91
Student and Instruction Related Services	6,352,081.34	6,461,586.65	5,916,392.45	5,354,808.99	4,686,192.58
School Administrative Services	2,392,834.31	2,419,925.67	2,347,854.37	2,263,166.72	2,824,219.81
General and Business Administrative Services	2,108,447.49	2,135,008.41	2,116,729.30	2,037,550.38	1,467,458.73
Plant Operations and Maintenance	5,863,444.48	5,513,502.77	5,174,954.94	4,298,784.86	4,108,083.77
Pupil Transportation	3,697,447.01	3,245,023.33	3,270,960.57	3,088,582.83	2,987,341.91
Unallocated Benefits	8,812,871.11	8,527,056.85	7,510,303.69	7,046,450.91	6,451,763.45
Reimbursed TPAF and Social Security	4,891,734.64	4,659,760.47	3,124,668.02	2,696,087.48	2,543,969.04
Special Schools	139,628.69	143,350.32	151,922.03	67,384.70	31,249.00
Interest on Long-term Debt	1,472,892.21	1,603,298.38	1,706,479.80	1,572,771.95	2,006,261.69
Amortization of Debt Issuance Costs	21,902.08	19,925.14	19,925.13	18,854.38	13,500.64
Unallocated Depreciation	672,939.93	640,717.95	814,953.07	814,702.42	770,065.45
Total Governmental Activities Expenses	65,082,786.78	61,166,238.05	58,297,425.74	53,488,088.98	51,438,946.32
Business-type Activities:					
Food Service	1,891,877.72	1,888,064.64	1,758,926.70	1,636,480.96	1,523,265.29
Total Business-type Activities Expense	1,891,877.72	1,888,064.64	1,758,926.70	1,636,480.96	1,523,265.29
Total District Expenses	\$ 66,974,664.50	\$ 63,054,302.69	\$ 60,056,352.44	\$ 55,124,569.94	\$ 52,962,211.61

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Changes in Net Assets
 Last Five Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,				
	2008	2007	2006	2004	2003
Program Revenues:					
Governmental Activities:					
Operating Grants and Contributions	\$ 6,735,198.43	\$ 6,486,818.46	\$ 5,041,119.69	\$ 4,594,616.13	\$ 4,241,169.28
Capital Grants and Contributions					
Total Governmental Activities Program Revenues	<u>6,735,198.43</u>	<u>6,486,818.46</u>	<u>5,041,119.69</u>	<u>4,594,616.13</u>	<u>4,241,169.28</u>
Business-type activities:					
Charges for services					
Food service	1,222,540.53	1,209,768.39	1,172,227.40	1,110,558.21	968,092.84
Capital Grants and Contributions					
Operating Grants and Contributions	379,297.46	330,283.86	259,230.06	184,747.80	141,478.69
Total Business-type Activities Program Revenues	<u>1,601,837.99</u>	<u>1,540,052.25</u>	<u>1,431,457.46</u>	<u>1,295,306.01</u>	<u>1,109,571.53</u>
Total District Program Revenues	<u>\$ 8,337,036.42</u>	<u>\$ 8,026,870.71</u>	<u>\$ 6,472,577.15</u>	<u>\$ 5,889,922.14</u>	<u>\$ 5,350,740.81</u>
Net (Expense)/Revenue:					
Governmental Activities	\$ (58,347,588.35)	\$ (54,679,419.59)	\$ (53,256,306.05)	\$ (48,893,472.85)	\$ (46,408,629.37)
Business-type Activities	<u>(290,039.73)</u>	<u>(348,012.39)</u>	<u>(327,469.24)</u>	<u>(341,174.95)</u>	<u>(233,236.08)</u>
Total District-wide Net Expense	<u>\$ (58,637,628.08)</u>	<u>\$ (55,027,431.98)</u>	<u>\$ (53,583,775.29)</u>	<u>\$ (49,234,647.80)</u>	<u>\$ (46,641,865.45)</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Changes in Net Assets
Last Five Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,				
	2008	2007	2006	2005	2004
General Revenues and Other Changes in Net Assets:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 29,655,998.00	\$ 27,733,018.00	\$ 25,966,061.00	\$ 25,016,795.00	\$ 18,572,612.00
Taxes Levied for Debt Service	1,915,304.00	1,806,378.00	1,931,320.00	1,415,631.00	1,787,437.00
Unrestricted Grants and Contributions	26,152,323.00	25,461,036.80	25,306,675.00	25,153,896.00	24,422,715.00
Restricted Grants and Contributions	1,663,972.49	1,145,593.11	1,069,560.54	1,590,960.97	844,664.10
Transportation	782,000.00	330,164.40	216,314.80	290,643.34	83,943.36
Miscellaneous	669,195.48	577,026.59	602,816.02	225,845.65	571,733.27
Special Items	(0.01)	(18,709.00)		3,274.98	(805,248.08)
Transfers	(258,625.00)	(301,446.69)	(275,753.03)	(599,044.34)	
Total Governmental Activities	60,580,167.96	56,733,061.21	54,817,194.33	53,088,002.60	45,477,856.65
Business-type Activities:					
Miscellaneous Income	16,934.33	25,609.24	21,086.04	10,403.84	3,353.54
Transfers	258,625.00	301,446.69	275,753.03	599,044.34	
Total Business-type Activities	275,559.33	327,055.93	296,839.07	609,448.18	3,353.54
Total District-wide	\$ 60,855,727.29	\$ 57,060,117.14	\$ 55,114,033.40	\$ 53,707,450.78	\$ 45,481,210.19
Change in Net Assets:					
Governmental Activities	\$ 2,232,579.61	\$ 2,053,641.62	\$ 1,560,888.28	\$ 4,204,529.75	\$ (1,391,018.62)
Business-type Activities	(14,480.40)	(20,956.46)	(30,630.17)	268,273.23	(306,121.00)
Total District	\$ 2,218,099.21	\$ 2,032,685.16	\$ 1,530,258.11	\$ 4,472,802.98	\$ (1,697,139.62)
					\$ (3,663,551.73)

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fund Balances, Governmental Funds
 Last Five Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund:						
Reserved	\$ 3,303,588.37	\$ 3,817,800.31	\$ 3,011,713.22	\$ 1,914,758.31	\$ 397,622.91	\$ 543,958.28
Unreserved	1,881,192.90	1,860,646.98	2,314,141.78	2,608,270.80	(432,158.34)	(505,730.16)
Total General Fund	<u>\$ 5,184,781.27</u>	<u>\$ 5,678,447.29</u>	<u>\$ 5,325,855.00</u>	<u>\$ 4,523,029.11</u>	<u>\$ (34,535.43)</u>	<u>\$ 38,228.12</u>
All Other Governmental Funds:						
Reserved						\$ 576,081.44
Unreserved, Reported in:						
Special Revenue Fund	\$ (4,407.00)	\$ (4,407.00)	\$ (4,407.00)	\$ (4,407.00)	\$ (4,407.00)	(12,487.00)
Capital Projects Fund					783,033.97	2,075,606.57
Debt Service Fund	18,785.89		85,774.87	85,774.63	(634.52)	39,502.83
Permanent Fund						
Total All Other Governmental Funds	<u>\$ 14,378.89</u>	<u>\$ (4,407.00)</u>	<u>\$ 81,367.87</u>	<u>\$ 81,367.63</u>	<u>\$ 777,992.45</u>	<u>\$ 2,678,703.84</u>

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Revenues:										
Tax Levy	\$ 31,571,302.00	\$ 29,539,396.00	\$ 27,897,581.00	\$ 26,432,426.00	\$ 20,360,049.00	\$ 18,771,493.00	\$ 16,286,307.00	\$ 13,029,852.00	\$ 12,046,327.00	\$ 11,545,836.00
Other Local Revenue	1,451,195.48	907,190.99	819,130.82	516,488.99	655,676.63	568,108.55	772,836.99	2,263,029.33	2,785,780.16	1,620,498.75
State Sources	33,500,882.64	32,119,745.27	30,399,230.02	30,300,951.77	28,929,038.04	27,102,801.21	27,405,914.13	26,609,897.96	26,515,281.60	24,412,216.35
Federal Sources	1,050,611.28	973,703.10	1,018,125.21	1,038,518.33	908,412.11	763,738.68	755,983.87	569,336.96	619,571.50	531,768.75
Total Revenue	67,573,991.40	63,540,035.36	60,134,067.05	58,288,388.09	50,853,175.78	47,206,139.44	45,221,041.99	42,472,116.25	41,966,960.26	38,110,316.85
Expenditures:										
Instruction										
Regular Instruction	17,099,221.14	15,842,342.28	16,325,388.88	14,948,975.87	13,902,636.11	14,326,811.93	13,277,089.38	13,341,368.96	12,080,286.82	11,678,576.25
Special Education Instruction	3,573,737.31	3,163,634.67	3,138,416.88	2,600,639.85	2,702,723.11	2,697,237.18	2,173,835.22	1,914,877.65	2,150,365.85	1,663,868.74
Other Special Instruction	344,615.29	299,508.49	119,802.37	105,347.00	256,777.41	269,806.95	424,407.66	10,311.81	254,734.93	435,817.57
Other Instruction	2,086,230.64	1,989,017.20	1,879,501.85	1,734,660.62	1,621,266.35	1,709,755.80	1,703,829.12	1,300,935.00	1,260,416.04	1,180,772.13
Instruction - Pre-GASB 34										
Undistributed Expenditures - Pre-GASB 34										
Community Services										
Support Services:										
Tuition	4,669,037.78	3,668,247.49	3,668,256.83	3,825,586.41	4,116,484.91	3,784,813.11				
Student and Instruction Related Services	6,352,081.34	5,461,586.65	5,916,392.45	5,354,808.99	4,686,192.58	4,644,558.01				
School Administrative Services	2,392,834.31	2,419,925.67	2,347,854.37	2,263,166.72	2,824,219.81	2,685,392.13				
Other Administrative Services	2,258,501.16	2,264,356.63	1,983,553.37	1,871,308.93	1,284,953.43	1,153,925.51				
Plant Operations and Maintenance	5,841,063.82	5,492,214.64	5,148,007.39	4,271,817.09	4,082,653.78	4,382,585.02				
Pupil Transportation	3,697,447.01	3,245,023.33	3,270,860.57	3,088,582.83	2,987,341.91	2,436,799.61				
Unallocated Benefits	13,757,293.54	13,218,280.05	10,742,565.83	9,908,030.84	8,702,241.72	7,477,649.66				
Special Schools	139,628.69	143,350.32	151,922.03	67,384.70	31,249.00	242,288.40				
Debt Service:										
Principal	2,435,000.00	2,280,000.00	2,175,000.00	1,295,000.00	1,685,000.00	1,630,000.00	1,495,000.00	1,365,000.00	635,000.00	605,000.00
Interest and Other Charges	1,395,706.11	1,522,963.76	1,625,348.76	1,469,280.23	2,027,750.00	2,107,730.00	2,162,895.00	2,251,065.00	3,358,890.00	201,091.90
Capital Outlay	1,737,848.39	942,611.07	342,616.71	2,118,356.47	1,479,902.52	446,025.72	2,856,487.66	1,720,504.46	35,388,106.27	4,539,018.52
Total Expenditures	67,790,246.53	62,953,062.25	58,835,588.29	54,922,946.55	52,371,402.64	49,995,379.03	48,638,738.16	44,261,829.30	76,288,430.90	41,454,775.94
Excess (Deficiency) of Revenues Over (Under) Expenditures	(216,255.13)	586,973.11	1,298,478.76	3,365,441.54	(1,518,226.86)	(2,789,239.59)	(3,417,696.17)	(1,789,713.05)	(34,321,470.64)	(3,344,458.49)
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)										
Sale/Leaseback of Textbooks Reserve			(219,899.60)							
Proceeds of Bonds				1,150,000.00						
Arbitrage Rebate				31,510,000.00						
Payment to Refunded Debt Escrow Agent				(31,198,494.25)						
Premium/(Discount) on Bonds				(48,179.15)						
Accrued Interest on Sale of Bonds				(263,326.60)						
Costs of Issuance				3,274.98						
Accounts Receivable/Payable Canceled					120,833.36	8,015.26	(28,785.80)	580,150.00		
Refunds of Prior Year Grant Funds Ineligible Costs		(18,709.00)		1,464,867.28	9,742.65	148,736.46	277,680.41	1,247,165.37	1,929,748.36	1,189,296.44
Transfers In				(301,446.69)	(9,742.65)	(148,736.46)	(277,680.41)	(1,247,165.37)	(1,929,748.36)	(1,189,296.44)
Transfers Out										
Total Other Financing Sources (Uses)	(258,625.00)	(320,155.69)	(495,652.63)	495,498.18	(455,248.08)	8,015.26	(28,785.80)	214,260.81	-	44,898,344.90
Net Change in Fund Balances	\$ (474,880.13)	\$ 266,817.42	\$ 802,826.13	\$ 3,860,939.72	\$ (1,973,474.94)	\$ (2,781,224.33)	\$ (3,446,481.97)	\$ (1,575,452.24)	\$ (34,321,470.64)	\$ 41,553,886.41
Debt Service as a Percentage of Noncapital Expenditures	5.8%	6.1%	6.5%	5.2%	7.3%	7.5%	8.0%	8.5%	9.8%	2.2%

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Interest	\$ 192,648.11	\$ 303,916.27	\$ 252,878.81	\$ 75,029.97	\$ 14,473.37	\$ 28,737.13	\$ 102,609.59	\$ 121,393.25	\$ 49,065.72	\$ 67,990.96
Gate Receipts	39,306.00	36,650.00	37,079.72	37,404.00	38,826.00	37,854.00	40,790.00	29,421.00	30,688.00	29,434.00
Tuition Students	10,107.72	11,053.20	12,702.00	16,922.71	11,347.80	9,782.88	10,348.88	12,770.00	12,395.78	15,765.91
Fines		9,188.10	15,101.36	33,264.11	26,008.61	84,927.64	103,535.66	177,606.48	75,072.37	89,722.83
Refunds		68,124.73	58,565.54		350,000.00					
Sale/Lease of Textbooks		10,201.10	26,608.02	12,330.00	4,140.00	9,025.00	2,475.00	1,251.00	6,957.00	
Use of Facilities Fees	24,090.97	7,322.38	50,811.55	45,425.48	117,194.84	62,564.30	56,662.54	60,949.77	33,814.71	29,295.86
Miscellaneous	24,929.81	26,029.96	86,697.74							
Miscellaneous Refunds	17,660.53									
Insurance Reimbursements	120,316.65	85,504.69	31,717.96							
Insurance Dividends	34,317.58									
Health Benefit Contributions	26,161.10									
Insurance Claims										
Tuition - Evening School										
Tuition - Summer School										
Prior Year Payables Canceled										
Joint Business Service Fees										
Copier Lease Buyout - Prior Year	161,440.41		26,783.32							
Copier Lease Buyout - Current Year	15,000.00									
Copier Fees	1,176.60									
Mentoring Fees		9,669.00								
GED Course Fees	2,040.00	1,630.00	3,850.00							
Homeless Aid		7,737.16								
Total Miscellaneous Revenues	\$ 669,195.48	\$ 577,026.59	\$ 602,816.02	\$ 220,376.27	\$ 561,990.62	\$ 232,890.95	\$ 316,421.67	\$ 456,613.80	\$ 233,883.64	\$ 372,704.49

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
Bellmawr Borough:												
2008	\$ 4,030,800.00	\$ 297,552,200.00	None	\$ 40,861,800.00	\$ 58,522,900.00	\$ 28,582,600.00	\$ 429,550,300.00	\$ 659,045.00	\$ 430,209,345.00	\$ 53,829,800.00	\$ 865,270,803.00	\$ 0.877
2007	4,180,700.00	296,793,900.00	None	41,060,700.00	58,816,900.00	28,583,300.00	429,111,500.00	695,909.00	429,807,409.00	53,653,500.00	784,806,639.00	0.885
2006	4,209,600.00	296,354,500.00	None	40,121,500.00	58,516,900.00	28,584,700.00	428,087,200.00	608,116.00	428,895,316.00	50,735,200.00	779,290,022.00	0.868
2005	3,893,600.00	295,053,800.00	None	39,445,400.00	58,431,700.00	28,561,500.00	425,385,400.00	1,024,390.00	426,409,790.00	50,742,700.00	689,238,987.00	0.842
2004	3,574,900.00	294,887,400.00	None	40,145,200.00	58,538,500.00	28,508,700.00	425,650,700.00	1,121,810.00	426,776,510.00	50,969,300.00	565,052,255.00	0.775
2003	3,779,100.00	293,452,700.00	None	40,658,100.00	58,635,100.00	28,537,000.00	425,890,000.00	1,250,890.00	426,312,890.00	50,930,500.00	499,798,861.00	0.709
2002	3,828,500.00	292,377,500.00	None	41,352,000.00	58,593,900.00	28,471,500.00	424,623,400.00	1,284,191.00	424,907,591.00	50,023,800.00	484,579,661.00	0.646
2001	3,871,700.00	291,141,700.00	None	40,558,300.00	58,093,900.00	28,495,700.00	423,160,400.00	1,282,220.00	424,442,620.00	50,270,200.00	469,690,898.00	0.549
2000	4,184,000.00	292,168,400.00	None	39,558,300.00	58,548,200.00	27,310,400.00	417,769,300.00	1,182,714.00	418,952,014.00	47,977,000.00	443,989,485.00	0.495
1999	4,015,400.00	304,457,500.00	None	35,746,700.00	61,608,700.00	15,032,400.00	420,860,700.00	1,706,344.00	422,567,044.00	43,996,400.00	453,855,785.00	0.486
Gloucester Township:												
2008	\$ 25,716,200.00	\$ 2,140,088,300.00	\$ 4,313,700.00	\$ 151,720,300.00	\$ 32,694,200.00	\$ 85,262,700.00	\$ 2,439,795,400.00	\$ 5,520,631.00	\$ 2,445,316,031.00	\$ 410,586,000.00	\$ 4,810,137,496.00	\$ 0.939
2007	24,462,900.00	2,125,453,500.00	4,277,200.00	148,503,800.00	33,918,700.00	82,508,000.00	2,419,124,100.00	6,055,577.00	2,425,179,677.00	404,633,900.00	4,437,950,579.00	0.981
2006	27,966,100.00	2,094,999,900.00	4,308,400.00	142,600,400.00	34,229,100.00	83,623,300.00	2,387,157,200.00	6,561,912.00	2,393,719,012.00	357,221,532.00	4,355,545,598.00	0.924
2005	30,229,100.00	2,070,257,700.00	4,689,300.00	145,046,600.00	34,200,800.00	83,623,300.00	2,368,026,800.00	8,336,470.00	2,376,365,270.00	355,692,286.00	3,900,568,720.00	0.867
2004	32,768,701.00	2,033,132,300.00	4,165,500.00	137,953,300.00	34,828,900.00	83,623,300.00	2,326,071,401.00	9,521,991.00	2,335,593,392.00	354,306,483.00	3,201,605,703.00	0.745
2003	31,655,601.00	2,008,770,400.00	4,408,500.00	139,050,900.00	32,061,900.00	83,623,300.00	2,299,570,601.00	10,877,715.00	2,310,548,316.00	348,077,775.00	2,813,984,796.00	0.617
2002	33,215,500.00	1,972,531,500.00	4,746,200.00	136,240,800.00	32,061,900.00	83,623,300.00	2,262,419,200.00	10,819,925.00	2,273,239,125.00	344,510,029.00	2,549,725,996.00	0.560
2001	36,812,300.00	1,933,195,200.00	4,785,000.00	128,546,000.00	28,549,300.00	83,400,900.00	2,215,288,700.00	10,708,167.00	2,225,996,867.00	340,179,910.00	2,356,169,999.00	0.477
2000	33,969,900.00	1,898,598,500.00	4,726,300.00	123,965,100.00	27,971,000.00	76,561,100.00	2,165,191,900.00	10,218,987.00	2,175,410,887.00	340,356,116.00	2,244,679,152.00	0.413
1999	39,192,200.00	1,846,896,100.00	5,260,800.00	123,011,000.00	27,089,500.00	71,113,100.00	2,114,562,700.00	14,171,400.00	2,126,734,100.00	333,343,003.00	2,167,493,905.00	0.394
Runnemede Borough:												
2008	\$ 2,952,100.00	\$ 257,174,700.00	None	\$ 45,644,500.00	\$ 12,749,700.00	\$ 18,297,700.00	\$ 338,818,700.00	\$ 1,046,363.00	\$ 337,867,063.00	\$ 43,690,400.00	\$ 591,141,251.00	\$ 0.866
2007	3,211,700.00	255,372,400.00	None	45,678,400.00	13,049,700.00	18,297,700.00	335,609,900.00	1,121,421.00	336,731,321.00	43,525,600.00	534,990,012.00	0.876
2006	2,840,200.00	254,680,800.00	None	44,427,900.00	13,249,700.00	18,297,700.00	333,496,300.00	1,229,499.00	334,725,799.00	43,525,600.00	529,666,038.00	0.866
2005	2,930,400.00	253,501,100.00	None	44,467,800.00	13,249,700.00	18,297,700.00	332,476,700.00	1,575,993.00	334,052,693.00	43,525,600.00	470,910,691.00	0.884
2004	3,063,800.00	250,016,300.00	None	44,568,800.00	13,249,700.00	18,297,700.00	329,196,300.00	1,717,421.00	330,913,721.00	43,941,900.00	400,868,392.00	0.806
2003	2,947,100.00	249,031,000.00	None	45,484,900.00	13,644,300.00	18,297,700.00	329,405,000.00	1,893,139.00	331,298,139.00	43,942,900.00	371,057,097.00	0.693
2002	3,064,000.00	247,527,700.00	None	45,525,600.00	13,644,300.00	18,297,700.00	328,059,300.00	1,865,559.00	329,924,859.00	44,032,500.00	346,320,935.00	0.624
2001	3,357,400.00	247,297,200.00	None	40,450,600.00	13,524,300.00	18,317,700.00	322,947,200.00	1,795,136.00	324,742,336.00	44,007,700.00	315,976,671.00	0.535
2000	3,429,800.00	247,012,000.00	None	39,288,200.00	13,570,200.00	18,262,700.00	321,562,900.00	1,603,473.00	323,166,373.00	43,948,900.00	305,825,706.00	0.459
1999	3,154,900.00	247,213,200.00	None	39,657,300.00	14,324,800.00	18,626,000.00	322,976,200.00	2,741,520.00	325,717,720.00	43,194,300.00	310,015,994.00	0.422

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Regional School Tax Rates are per \$100.00 of Assessed Valuation

Source: Camden County Board of Taxation

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates					Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Local School District	Local Municipality	Other Entities	Camden County		
Bellmawr Borough:									
2008	\$ 0.854	\$ 0.023	\$ 0.877	\$ 1.651	\$ 1.608		\$ 1.280	\$ 5.416	
2007	0.831	0.054	0.885	1.648	1.435		1.283	5.291	
2006	0.802	0.056	0.858	1.573	1.310		1.278	5.019	
2005	0.791	0.051	0.842	1.475	1.231		1.103	4.651	
2004	0.721	0.054	0.775	1.462	1.151		1.037	4.425	
2003	0.648	0.061	0.709	1.413	1.043		1.103	4.268	
2002	0.608	0.038	0.646	1.320	0.995		1.074	4.035	
2001	Unavailable	Unavailable	0.549	1.250	0.935		0.996	3.730	
2000	0.486	0.009	0.495	1.233	0.859		0.993	3.580	
1999	Unavailable	Unavailable	0.486	1.235	0.793		0.976	3.490	
Gloucester Township:									
2008	\$ 0.945	\$ (0.006)	\$ 0.939	\$ 1.692	\$ 1.116	\$ 1.259	\$ 1.257	\$ 6.263	
2007	0.922	0.059	0.981	1.727	1.040	1.211	1.287	6.246	
2006	0.865	0.059	0.924	1.693	0.927	1.187	1.336	6.067	
2005	0.814	0.053	0.867	1.643	1.009	1.085	1.139	5.743	
2004	0.695	0.050	0.745	1.510	0.920	1.006	1.080	5.261	
2003	0.563	0.054	0.617	1.336	0.799	0.994	1.088	4.834	
2002	0.527	0.033	0.560	1.256	0.725	0.978	1.024	4.543	
2001	Unavailable	Unavailable	0.477	1.204	0.675	1.049	0.974	4.379	
2000	0.406	0.007	0.413	1.159	0.598	0.958	0.950	4.078	
1999	Unavailable	Unavailable	0.394	1.120	0.541	1.006	0.925	3.986	
Runnemede Borough:									
2008	\$ 0.850	\$ 0.016	\$ 0.866	\$ 1.823	\$ 1.248		\$ 1.041	\$ 4.978	
2007	0.823	0.053	0.876	1.839	1.109		1.046	4.870	
2006	0.810	0.056	0.866	1.806	0.999		1.071	4.742	
2005	0.830	0.054	0.884	1.729	0.935		0.943	4.491	
2004	0.751	0.055	0.806	1.681	0.895		0.923	4.305	
2003	0.633	0.060	0.693	1.588	0.762		0.952	3.995	
2002	0.586	0.038	0.624	1.440	0.713		0.883	3.660	
2001	Unavailable	Unavailable	0.535	1.380	0.674		0.831	3.420	
2000	0.450	0.009	0.459	1.313	0.693		0.845	3.310	
1999	Unavailable	Unavailable	0.422	1.242	0.692		0.834	3.190	

Source: Municipal Tax Collectors

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Principal Property Tax Payers
 Current Year and Nine Years Ago
Unaudited

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Bellmawr Borough:						
The Korman Co.	\$ 16,627,300.00	1	3.86%	\$ 16,486,500.00	1	3.90%
Mutual Housing	13,242,300.00	2	3.08%	12,920,500.00	2	3.06%
Interstate Holding	7,574,000.00	3	1.76%	7,129,000.00	4	1.69%
Houghton Mifflin Harcourt	6,972,800.00	4	1.62%	6,762,800.00	3	1.60%
Hyde Park Apartments	5,929,900.00	5	1.38%	5,929,900.00	5	1.40%
Williamette Industries	4,679,000.00	6	1.09%	4,879,000.00	6	1.15%
South Penn Associates	4,225,700.00	7	0.98%			
J&J Snack Food	2,748,200.00	8	0.64%			
45 Heller Rd., LLC	2,350,000.00	9	0.55%	2,350,000.00	8	0.56%
JRCB Ellis Investors LLC	2,260,500.00	10	0.53%			
Grand CRU Property 18 LLC				3,269,700.00	7	0.77%
Spruce Manor Enterprises				2,340,000.00	9	0.55%
The University of Chicago				2,260,500.00	10	0.53%
Total	\$ 66,609,700.00		15.48%	\$ 64,327,900.00		15.21%

Source: Municipal Tax Assessor

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Fountainview Village Apartments	\$ 18,476,800.00	1	0.76%	\$ 18,400,000.00	1	0.86%
Lakeview Apartments	17,402,000.00	2	0.71%	12,098,700.00	4	0.62%
Millbridge Apartments	15,480,300.00	3	0.63%	15,480,300.00	2	0.73%
Cherrywood Apartments	10,914,600.00	4	0.45%	10,914,600.00	5	0.51%
Group IV Equities	10,547,600.00	5	0.43%	13,249,900.00	3	0.62%
Chews Landing Investors (Market Place)	9,810,800.00	6	0.40%	9,810,800.00	6	0.46%
Fairways Apartments	7,800,000.00	7	0.32%	7,800,000.00	7	0.37%
Cherrywood Associates				6,796,000.00	8	0.32%
Pine Run Commerce Center	6,602,900.00	8	0.27%	6,602,900.00	9	0.31%
A.C. Moore Warehouse	6,472,600.00	9	0.26%			
Zallies Supermarket (Shop Rite)	4,350,600.00	10	0.18%	4,350,600.00	10	0.20%
Total	\$ 107,858,200.00		4.41%	\$ 105,503,800.00		5.00%

a. In 1999 this taxpayer was named Pine Run Apartments

Source: Municipal Tax Assessor

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Principal Property Tax Payers
 Current Year and Nine Years Ago
Unaudited

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Runnemedede Borough:						
D & P Industrial	\$ 11,016,300.00	1	3.26%	\$ 6,647,000.00	1	2.04%
Presidential Associates	6,000,000.00	2	1.78%	6,000,000.00	2	1.84%
Hartford Plaza	5,238,700.00	3	1.55%			
The Meadows at Runnemedede Investors	4,424,500.00	4	1.31%			
Joseph Samost				3,795,100.00	3	1.17%
Runnemedede Lodging Investors	3,250,000.00	5	0.96%	3,500,000.00	4	1.07%
Sintara Corporation (Runnemedede Plaza)	2,450,000.00	6	0.73%	3,237,400.00	5	0.99%
East Coast Salon	2,125,100.00	7	0.63%			
Grande Associates				2,200,000.00	6	0.68%
Grande Associates				2,200,000.00	7	0.68%
Struble and Moffitt				2,035,500.00	8	0.62%
CVS Pharmacy	1,578,700.00	8	0.47%			
United Softee Realty Co.	1,250,000.00	9	0.37%	1,250,000.00	9	0.38%
Oak Ridge Apartments	1,090,000.00	10	0.32%	1,090,000.00	10	0.33%
Total	\$ 38,423,300.00		11.37%	\$ 31,955,000.00		9.80%

Source: Municipal Tax Office

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2008	\$ 31,571,302.00	\$ 29,339,274.72	92.93%	\$ 1,925,883.67
2007	29,539,396.00	29,249,925.09	99.02%	289,470.91
2006	27,897,581.00	27,592,518.48	98.91%	305,062.52
2005	26,432,426.00	26,432,426.00	100.00%	N/A
2004	20,360,049.00	20,360,049.00	100.00%	N/A
2003	18,771,493.00	18,771,493.00	100.00%	N/A
2002	16,286,307.00	16,286,307.00	100.00%	N/A
2001	13,029,852.00	13,029,852.00	100.00%	N/A
2000	12,046,327.00	12,046,327.00	100.00%	N/A
1999	11,545,836.00	11,545,836.00	100.00%	N/A

(1) 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.

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities	Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Textbook Leases	Capital Leases			
Bellmawr Borough:						
2008	\$ 4,762,823.02	\$ 69,533.20	-	\$ 4,832,356.22	Unavailable	Unavailable
2007	5,056,353.47	111,916.99	-	5,168,270.46	Unavailable	464.90
2006	5,331,421.15	151,619.52	-	5,483,040.67	1.28%	489.86
2005	5,769,717.11	194,794.27	-	5,964,511.38	1.48%	536.47
2004	5,906,633.40	49,932.89	-	5,956,566.29	1.54%	534.46
2003	6,337,633.05	-	-	6,337,633.05	1.70%	565.81
2002	6,682,004.91	-	-	6,682,004.91	1.85%	594.80
2001	6,848,560.15	-	-	6,848,560.15	1.95%	610.44
2000	7,480,178.07	-	-	7,480,178.07	2.26%	664.96
1999	7,654,414.14	-	-	7,654,414.14	2.40%	679.67
Gloucester Township:						
2008	\$ 26,839,805.36	\$ 391,838.55	-	\$ 27,231,643.91	Unavailable	Unavailable
2007	28,752,596.20	636,408.06	-	29,389,004.26	Unavailable	452.03
2006	30,457,922.27	866,188.48	-	31,324,110.75	1.25%	476.87
2005	31,853,709.51	1,075,428.83	-	32,929,138.34	1.39%	504.31
2004	31,309,306.22	264,679.42	-	31,573,985.64	1.40%	485.36
2003	32,353,398.68	-	-	32,353,398.68	1.50%	499.10
2002	33,519,788.40	-	-	33,519,788.40	1.62%	518.51
2001	34,625,850.22	-	-	34,625,850.22	1.73%	541.07
2000	34,888,549.23	-	-	34,888,549.23	1.87%	549.97
1999	35,148,242.21	-	-	35,148,242.21	1.96%	555.05
Runnemede Borough:						
2008	\$ 3,269,371.62	\$ 47,730.07	-	\$ 3,317,101.69	Unavailable	Unavailable
2007	3,513,050.33	77,757.62	-	3,590,807.95	Unavailable	428.04
2006	3,812,656.58	108,427.59	-	3,921,084.17	1.21%	463.43
2005	4,153,573.38	140,230.84	-	4,293,804.22	1.40%	505.81
2004	4,186,060.39	35,387.69	-	4,221,448.08	1.43%	497.69
2003	4,375,968.27	-	-	4,375,968.27	1.54%	514.52
2002	4,495,206.69	-	-	4,495,206.69	1.64%	527.61
2001	4,717,589.63	-	-	4,717,589.63	1.77%	554.68
2000	5,188,272.70	-	-	5,188,272.70	2.06%	608.67
1999	5,389,343.65	-	-	5,389,343.65	2.23%	631.59

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by municipality-estimated based upon the 2000 Census published

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding (1)	Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions			
Bellmawr Borough:					
2008	\$ 4,762,823.02	-	\$ 4,762,823.02	1.11%	Unavailable
2007	5,056,353.47	-	5,056,353.47	1.18%	454.83
2006	5,331,421.15	-	5,331,421.15	1.24%	476.32
2005	5,769,717.11	-	5,769,717.11	1.35%	518.95
2004	5,906,633.40	-	5,906,633.40	1.38%	529.98
2003	6,337,633.05	-	6,337,633.05	1.49%	565.81
2002	6,682,004.91	-	6,682,004.91	1.57%	594.80
2001	6,848,560.15	-	6,848,560.15	1.61%	610.44
2000	7,480,178.07	-	7,480,178.07	1.79%	664.96
1999	7,654,414.14	-	7,654,414.14	1.81%	679.67
Gloucester Township:					
2008	26,839,805.36	-	26,839,805.36	1.10%	Unavailable
2007	28,752,596.20	-	28,752,596.20	1.19%	442.24
2006	30,457,922.27	-	30,457,922.27	1.27%	463.68
2005	31,853,709.51	-	31,853,709.51	1.34%	487.84
2004	31,309,306.22	-	31,309,306.22	1.34%	481.29
2003	32,353,398.68	-	32,353,398.68	1.40%	499.10
2002	33,519,788.40	-	33,519,788.40	1.47%	518.51
2001	34,625,850.22	-	34,625,850.22	1.56%	541.07
2000	34,888,549.23	-	34,888,549.23	1.60%	549.97
1999	35,148,242.21	-	35,148,242.21	1.65%	555.05
Runnemede Borough:					
2008	3,269,371.62	-	3,269,371.62	0.97%	Unavailable
2007	3,513,050.33	-	3,513,050.33	1.04%	418.77
2006	3,812,656.58	-	3,812,656.58	1.14%	450.62
2005	4,153,573.38	-	4,153,573.38	1.24%	489.29
2004	4,186,060.39	-	4,186,060.39	1.27%	493.52
2003	4,375,968.27	-	4,375,968.27	1.32%	514.52
2002	4,495,206.69	-	4,495,206.69	1.36%	527.61
2001	4,717,589.63	-	4,717,589.63	1.45%	554.68
2000	5,188,272.70	-	5,188,272.70	1.61%	608.67
1999	5,389,343.65	-	5,389,343.65	1.65%	631.59

Sources:

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt
As of December 31, 2007

Unaudited

Bellmawr Borough:	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Bellmawr Borough</u>
Municipal Debt: (1)				
Bellmawr Borough School District	\$ 1,422,898.00	\$ 1,422,898.00		
Black Horse Pike Regional School District	4,770,061.77	4,770,061.77		
Bellmawr Borough Water & Sewer Utility	570,850.35	570,850.35		
Bellmawr Borough	15,446,909.49	150,200.00	\$ 15,296,709.49	\$ 15,296,709.49
	<u>22,210,719.61</u>	<u>6,914,010.12</u>	<u>15,296,709.49</u>	<u>15,296,709.49</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	33,988,398.00	9,737,815.00 (3)	24,250,583.00	504,121.37 (5)
Loan Agreement	15,000,000.00		15,000,000.00	311,820.15 (5)
Bonds Issued by Other Public Bodies				
Guaranteed by the County	<u>1,017,325,750.00</u>	<u>1,017,325,750.00 (4)</u>		
	<u>1,066,314,148.00</u>	<u>1,027,063,565.00</u>	<u>39,250,583.00</u>	<u>815,941.52</u>
	<u>\$ 1,088,524,867.61</u>	<u>\$ 1,033,977,575.12</u>	<u>\$ 54,547,292.49</u>	<u>\$ 16,112,651.01</u>

Sources:

- (1) 2007 Revised Annual Debt Statement
 - (2) County's 2006 Audit Report
 - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (4) Deductible in accordance with N.J.S. 40:37A-80.
 - (5) Such debt is allocated as a proportion of the Borough's share of the total 2007 Equalized Value, which is 2.08%.
- The source for this computation was the 2007 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt

As of December 31, 2007

Unaudited

Gloucester Township:	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Gloucester Township</u>
Municipal Debt:				
Gloucester Township School District (1)	\$ 35,339,736.89	\$ 35,339,736.89		
Black Horse Pike Regional School District (1)	26,851,350.36	26,851,350.36		
Gloucester Township (2)	<u>47,862,173.63</u>		<u>\$ 47,862,173.63</u>	<u>\$ 47,862,173.63</u>
	<u>110,053,260.88</u>	<u>62,191,087.25</u>	<u>47,862,173.63</u>	<u>47,862,173.63</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	33,988,398.00			2,790,179.64 (5)
Loan Agreement	15,000,000.00		24,250,583.00	1,725,842.82 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	1,017,325,750.00	1,017,325,750.00 (4)		
Gloucester Township MUA (1)	11,893,653.02		11,893,653.02	11,893,653.02
Gloucester Township Fire Districts (1)	<u>1,370,000.00</u>		<u>1,370,000.00</u>	<u>1,370,000.00</u>
	<u>1,079,577,801.02</u>	<u>1,027,063,565.00</u>	<u>52,514,236.02</u>	<u>17,779,675.48</u>
	<u>\$ 1,189,631,061.90</u>	<u>\$ 1,089,254,652.25</u>	<u>\$ 100,376,409.65</u>	<u>\$ 65,641,849.11</u>

Sources:

- (1) Entity's Audit Report
- (2) Township Officials
- (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (4) Deductible in accordance with N.J.S. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Township's share of the total 2007 Equalized Value, which is 11.51%.

The source for this computation was the 2007 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt
As of December 31, 2007

Unaudited

Runnemede Borough:	Gross Debt	Deductions	Statutory Net Debt Outstanding	Net Debt Outstanding Allocated to Runnemede Borough
Municipal Debt: (1)				
Runnemede Borough School District	\$ 1,195,000.00	\$ 1,195,000.00		
Black Horse Pike Regional School District	3,270,777.92	3,270,777.92		
Runnemede Borough	4,889,750.00	99,785.50	\$ 4,789,964.50	\$ 4,789,964.50
Borough Sewer Utility	1,307,034.11	1,307,034.11	-	
	<u>10,662,562.03</u>	<u>5,872,597.53</u>	<u>4,789,964.50</u>	<u>4,789,964.50</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	33,988,398.00	9,737,815.00 (3)	24,250,583.00	343,667.20 (5)
Loan Agreement	15,000,000.00		15,000,000.00	212,572.54 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>1,017,325,750.00</u>	<u>1,017,325,750.00 (4)</u>		
	<u>1,066,314,148.00</u>	<u>1,027,063,565.00</u>	<u>39,250,583.00</u>	<u>556,239.73</u>
	<u>\$ 1,076,976,710.03</u>	<u>\$ 1,032,936,162.53</u>	<u>\$ 44,040,547.50</u>	<u>\$ 5,346,204.23</u>

Sources:

- (1) 2007 Annual Debt Statement
 - (2) County's 2006 Audit Report
 - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (4) Deductible in accordance with N.J.S. 40:37A-80.
 - (5) Such debt is allocated as a proportion of the Borough's share of the total 2007 Equalized Value, which is 1.41%.
- The source for this computation was the 2007 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
Bellmawr Borough:				
2008	Unavailable	Unavailable	Unavailable	Unavailable
2007	11,117	Unavailable	Unavailable	4.20%
2006	11,193	\$ 427,673,337.00	\$ 38,209.00	4.50%
2005	11,118	402,716,196.00	36,222.00 R	4.20%
2004	11,145	386,898,675.00	34,715.00 R	4.90%
2003	11,201	373,654,159.00	33,359.00 R	5.50%
2002	11,234	360,319,316.00	32,074.00 R	5.30%
2001	11,219	350,694,721.00	31,259.00 R	3.70%
2000	11,249	331,710,512.00	29,488.00 R	3.50%
1999	11,262	318,861,006.00	28,313.00	4.20%
Gloucester Township:				
2008	Unavailable	Unavailable	Unavailable	Unavailable
2007	65,016	Unavailable	Unavailable	2.70%
2006	65,687	\$ 2,509,834,583.00	\$ 38,209.00	2.70%
2005	65,296	2,365,151,712.00	36,222.00 R	2.40%
2004	65,053	2,258,314,895.00	34,715.00 R	4.80%
2003	64,824	2,162,463,816.00	33,359.00 R	5.40%
2002	64,646	2,073,455,804.00	32,074.00 R	5.20%
2001	63,995	2,000,419,705.00	31,259.00 R	3.70%
2000	63,437	1,870,630,256.00	29,488.00 R	3.50%
1999	63,325	1,792,920,725.00	28,313.00	4.10%
Runnemede Borough:				
2008	Unavailable	Unavailable	Unavailable	Unavailable
2007	8,389	Unavailable	Unavailable	6.00%
2006	8,461	\$ 323,286,349.00	\$ 38,209.00	6.50%
2005	8,489	307,488,558.00	36,222.00 R	6.00%
2004	8,482	294,452,630.00	34,715.00 R	4.50%
2003	8,505	283,718,295.00	33,359.00 R	5.00%
2002	8,520	273,270,480.00	32,074.00 R	4.80%
2001	8,505	265,857,795.00	31,259.00 R	3.40%
2000	8,524	251,355,712.00	29,488.00 R	3.20%
1999	8,533	241,594,829.00	28,313.00	3.80%

Sources:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by municipality-estimated based upon the 2000 Census published
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

R- Revised

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Principal Non-Governmental Employers
 Current Year and Nine Years Ago
Unaudited

	2008			1999		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Bellmawr Borough:						
Country Home Bakers, Inc.	250	1	4.01%	N/A	N/A	N/A
Evergreen Printing and Publishing Co. Inc.	200	2	3.21%	N/A	N/A	N/A
Vertis Mailing, LLC	165	3	2.65%	N/A	N/A	N/A
J&J Snack Foods, Inc.	150	4	2.41%	N/A	N/A	N/A
Weyerhaeuser Company	137	5	2.20%	N/A	N/A	N/A
Ginsey Industries Inc.	135	6	2.17%	N/A	N/A	N/A
Mae Holding Co.	130	7	2.09%	N/A	N/A	N/A
Harcourt, Inc.	125	8	2.01%	N/A	N/A	N/A
Red Line Officials	124	9	1.99%	N/A	N/A	N/A
Ace Glass, Inc	100	10	1.60%	N/A	N/A	N/A
	<u>1,516</u>					

Source: D&B Regional Business Directory published by Dun & Bradstreet, Inc.

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Principal Non-Governmental Employers
 Current Year and Nine Years Ago
Unaudited

Gloucester Township:	2008			1999		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Metrologic Corp	500	1	N/A	N/A	N/A	N/A
US Vision	350	2	N/A	N/A	N/A	N/A
Zallie Supermarket	300	3	N/A	N/A	N/A	N/A
Freeland Associates	255	4	N/A	N/A	N/A	N/A
Super G	225	5	N/A	N/A	N/A	N/A
Blackwell North America	180	6	N/A	N/A	N/A	N/A
Wastequip/Accurate Industries	150	7	N/A	N/A	N/A	N/A
K-Mart	100	8	N/A	N/A	N/A	N/A
A.L Hyde Company	95	9	N/A	N/A	N/A	N/A
Reliable Tire	77	10	N/A	N/A	N/A	N/A
	<u>2,232</u>					

Source: Township Official Statement

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Principal Non-Governmental Employers
 Current Year and Nine Years Ago
Unaudited

Runnemedede Borough:	2008			1999		
	<u>Employers</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Holy Redeemer Home Care	128	1	N/A	N/A	N/A	N/A
DHL	84	2	N/A	N/A	N/A	N/A
Swets Blackwell	77	3	N/A	N/A	N/A	N/A
Acme Market	70	4	N/A	N/A	N/A	N/A
Family Toyota	56	5	N/A	N/A	N/A	N/A
COPD Services	54	6	N/A	N/A	N/A	N/A
Phily Diner	53	7	N/A	N/A	N/A	N/A
Holiday Inn	45	8	N/A	N/A	N/A	N/A
Wawa	43	9	N/A	N/A	N/A	N/A
The Scotts Co.	40	10	N/A	N/A	N/A	N/A
	<u>650</u>					

Source: Runnemedede Municipal Office

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

Function/Program	Fiscal Year Ended June 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Instruction										
Regular	238	227.5	221	225	234	212	205	204	205	N/A
Special education	47	50	48	46	47	43	43	43	42	N/A
Other special education	42	42	35	22	21	23	22	12	13	N/A
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	55.5	78.5	78.5	81	66	80	73	62	64	N/A
General administrative services	13	12.5	12.5	10.5	9	12	3	3	3	N/A
School administrative services	51	41	40	39	53	35	46	37	33	N/A
Business administrative services	6.5	6.5	6.5	7	7	9	9	8	8	N/A
Plant operations and maintenance	49	53	52	53.5	61	61	58	43	41	N/A
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	31	33	34	34	34	34	34	34	23	N/A
Community Education and Recreation	-	-	-	-	-	-	-	-	-	-
Total	533	544	528	518	531	509	493	446	432	-

N/A - Not available

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Operating Statistics

Last Ten Fiscal Years

Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio District</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2008	4,146	\$ 62,221,692.03	\$ 15,007.64	6.35%	331	1:13	4,298.30	4,015.90	3.57%	93.43%
2007	4,125	58,207,487.42	14,110.91	8.08%	320	1:13	4,150.20	3,893.20	0.33%	93.81%
2006	4,189	54,692,622.82	13,056.25	5.93%	322	1:13	4,136.50	3,842.90	3.14%	92.90%
2005	4,060	50,040,309.85	12,325.20	4.43%	341	1:15	4,010.40	3,730.90	1.89%	93.03%
2004	3,999	47,198,750.12	11,802.64	-2.92%	344	1:15	3,936.00	3,611.60	1.18%	91.76%
2003	3,768	45,811,623.31	12,158.07	2.77%	339	1:14	3,890.00	3,582.20	7.22%	92.09%
2002	3,559	42,104,395.50	11,830.40	2.18%	323	1:14	3,628.00	3,339.00	4.63%	92.03%
2001	3,362	38,925,259.84	11,578.01	14.32%	328	1:13	3,467.61	3,226.90	1.81%	93.06%
2000	3,646	36,926,434.63	10,127.93	1.76%	313	1:14	3,406.10	3,141.90	0.80%	92.24%
1999	3,628	36,109,659.32	9,953.05	3.99%	310	1:14	3,379.10	3,125.60	5.41%	92.50%

Sources: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
District Building										
High School										
Triton High School (1956)										
Square Feet	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124
Capacity (students)	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,647	1,647
Enrollment	1,494	1,494	1,435	1,443	1,547	1,529	1,550	1,705	1,767	1,832
Highland High School (1967)										
Square Feet	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079
Capacity (students)	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,545	1,545
Enrollment	1,212	1,212	1,167	1,123	1,134	1,082	1,099	1,657	1,762	1,677
Timber Creek High School (2001)										
Square Feet	264,614	264,614	264,614	264,614	264,614	264,614	264,614	N/A	N/A	N/A
Capacity (students)	1,442	1,442	1,442	1,442	1,442	1,442	1,442	N/A	N/A	N/A
Enrollment	1,419	1,419	1,437	1,348	1,318	1,213	1,234	N/A	N/A	N/A
Other										
Central Administration (1990)										
Square Feet	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880

Number of Schools at June 30, 2007
 High School = 3
 Other = 1

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Five Fiscal Years
Unaudited

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

* School Facilities	Project # (s)	Fiscal Year Ended June 30,							
		2008	2007	2006	2005	2004	2003	2002	2001
Triton High School		\$ 297,266.25	\$ 357,355.84	\$ 362,983.99	\$ 310,513.88	\$ 272,355.24	\$ 298,125.93	\$ 291,965.96	\$ 228,379.99
Highland High School		320,744.84	314,253.70	373,675.17	336,208.70	302,895.97	295,344.75	201,810.76	157,859.29
Timber Creek High School		206,697.93	171,969.09	296,117.31	264,406.66	202,276.99	184,723.80	355,825.61	278,331.93
Total School Facilities		<u>824,709.02</u>	<u>843,578.63</u>	<u>1,032,776.47</u>	<u>911,129.24</u>	<u>777,528.20</u>	<u>778,194.48</u>	<u>849,602.33</u>	<u>664,571.21</u>
Other Facilities			24,740.42	-	345.00	177.68	6,193.06	6,465.30	5,057.25
Grand Total		<u>\$ 824,709.02</u>	<u>\$ 868,319.05</u>	<u>\$ 1,032,776.47</u>	<u>\$ 911,474.24</u>	<u>\$ 777,705.88</u>	<u>\$ 784,387.54</u>	<u>\$ 856,067.63</u>	<u>\$ 669,628.46</u>

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

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2008
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property - Blanket Building & Personal Property	\$ 115,082,625.00 (a)	\$ 1,000.00
Comprehensive General Liability	10,000,000.00	1,000.00
Comprehensive Automobile Liability	10,000,000.00	1,000.00
Employee Benefits Program Liability	5,000,000.00	
School Board Legal Liability	5,000,000.00	5,000.00
Student Accident	5,000,000.00	
Catastrophic Student Accident	5,000,000.00	
Workers Compensation Coverage	2,000,000.00	
Bonds		
Board Secretary	100,000.00	
Treasurer of School Funds	350,000.00	
Employee Faithful Performance Blanket Bond	500,000.00	1,000.00

(a) Pool limit

Source: District Records

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Honorable President and
Members of the Board of Education
Black Horse Pike Regional School District
Blackwood, New Jersey 08012

Compliance

We have audited the compliance of the Black Horse Pike Regional School District 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 Grant Compliance Supplement that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2008. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying 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 federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the Black Horse Pike Regional School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2008.

Internal Control Over Compliance

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

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

Our 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
October 28, 2008

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BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2008

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2007</u>
				<u>From</u>	<u>To</u>	<u>Deferred Revenue/ Accounts Receivable</u>
U.S. Department of Agriculture						
Passed-through State Department of Education:						
Food Distribution Program	10.555	N/A	\$ 63,027.61	7-1-07	6-30-08	\$ 4,755.70
School Breakfast Program	10.553	N/A	22,746.05	7-1-06	6-30-07	(2,100.89)
School Breakfast Program	10.553	N/A	33,327.03	7-1-07	6-30-08	
National School Lunch Program	10.555	N/A	250,088.16	7-1-06	6-30-07	(17,246.26)
National School Lunch Program	10.555	N/A	263,716.34	7-1-07	6-30-08	
Total Enterprise Fund						<u>(14,591.45)</u>
U.S. Department of Education						
Passed-through State Department of Education:						
I.A.S.A. (E.S.E.A.) Programs - No Child Left Behind						
Title I						
Prior Year - Summer	84.010	0390 07	108,458.00	9- 1-06	8-31-07	20,644.48
Prior Year - Carry Over	84.010	0390 07	108,458.00	9- 1-06	8-31-08	
Current Year	84.010	0390 08	105,757.00	9- 1-07	8-31-08	
Title II Part A						
Prior Year	84.367	0390 07	61,861.00	9- 1-06	8-31-07	7,196.00
Prior Year - Carry Over	84.367	0390 07	61,861.00	9- 1-06	8-31-08	
Current Year	84.367	0390 08	61,295.00	9- 1-07	8-31-08	
Title II Part D						
Prior Year - Summer	84.318	0390 07	488.00	9- 1-06	8-31-07	488.00
Current Year	84.318	0390 08	719.00	9- 1-07	8-31-08	
Title III						
Current Year	84.365	0390 08	21,117.00	9- 1-07	8-31-08	
Title IV						
Current Year	84.186	0390 08	9,775.00	9- 1-07	8-31-08	
Title V						
Current Year	84.298	0390 08	4,648.00	9- 1-07	8-31-08	
I.D.E.I.A., Part B Programs:						
Basic Regular Prior Year	84.027	FT-0390-07	794,663.00	9- 1-06	8-31-07	84,987.96
Basic Regular Current Year	84.027	FT-0390-08	844,314.00	9-1-07	8-31-08	
Vocational Education						
Perkins Vocational and Applied Technology Education						
Current Year	84.048	PERK - 07	79,998.00	7-1-07	6-30-08	
Total Special Revenue Fund						<u>113,316.44</u>
Total Federal Financial Assistance						<u>\$ 98,724.99</u>

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

Carryover/ Walkover Amount	Cash Received	Adjustment	Budgetary Expenditures	Repayment of Prior Years' Balance	Balance at June 30, 2008		
					Accounts Receivable June 30, 2008	Deferred Revenue June 30, 2008	Due to Grantor at June 30, 2008
	\$ 63,027.61		\$ (57,011.97)			\$ 10,771.34	
	2,100.89						
	25,427.22		(33,327.03)		\$ (7,899.81)		
	17,246.26						
	214,597.25		(263,716.34)		(49,119.09)		
	<u>322,399.23</u>		<u>(354,055.34)</u>		<u>(57,018.90)</u>	<u>10,771.34</u>	
\$ (16,644.48)			(4,000.00)				
16,644.48			(4,239.50)			12,404.98	
	105,757.00		(80,672.01)			25,084.99	
(7,196.00)			(660.00)			6,536.00	
7,196.00	61,295.00		(54,245.90)			7,049.10	
			(488.00)				
	719.00		(406.00)			313.00	
	21,117.00		(14,034.85)			7,082.15	
	9,775.00		(9,000.00)			775.00	
	4,648.00		(4,318.00)			330.00	
			(84,987.96)				
	844,314.00		(713,561.06)			130,752.94	
	79,998.00		(79,998.00)				
-	<u>1,127,623.00</u>	-	<u>(1,050,611.28)</u>	-		<u>190,328.16</u>	
\$ -	<u>\$ 1,450,022.23</u>	\$ -	<u>\$(1,404,666.62)</u>	\$ -	<u>\$ (57,018.90)</u>	<u>\$201,099.50</u>	\$ -

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2008

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Required Match</u>	<u>Grant Period</u>		<u>Balance at June 30, 2007</u>	
				<u>From</u>	<u>To</u>	<u>Deferred Revenue Accounts Receivable</u>	<u>Due to Grantor</u>
State Department of Education (State Aid):							
General Fund:							
Core Curriculum Standards Aid	07-495-034-5120-022	\$16,925,545.00		7-1-06	6-30-07	\$ (791,452.00)	
Core Curriculum Standards Aid	08-495-034-5120-022	16,925,545.00		7-1-07	6-30-08		
Supplemental Core Curriculum Standards Aid	07-495-034-5120-023	2,794,745.00		7-1-06	6-30-07	(130,685.00)	
Supplemental Core Curriculum Standards Aid	08-495-034-5120-023	2,794,745.00		7-1-07	6-30-08		
Transportation Aid	07-495-034-5120-014	1,616,934.00		7-1-06	6-30-07	(75,609.00)	
Transportation Aid	08-495-034-5120-014	1,616,934.00		7-1-07	6-30-08		
Special Education Aid	07-495-034-5120-011	2,310,624.00		7-1-06	6-30-07	(108,047.00)	
Special Education Aid	08-495-034-5120-011	2,310,624.00		7-1-07	6-30-08		
Bilingual Aid	07-495-034-5120-008	16,352.00		7-1-06	6-30-07	(765.00)	
Bilingual Aid	08-495-034-5120-008	16,352.00		7-1-07	6-30-08		
Stabilization Aid	07-495-034-5120-030	276,936.00		7-1-06	6-30-07	(12,950.00)	
Stabilization Aid	08-495-034-5120-030	276,936.00		7-1-07	6-30-08		
Other State Aid - Above Avg Enrollment	08-495-034-5120-063	214,043.00		7-1-07	6-30-08		
Other State Aid - Extraordinary Aid	07-100-034-5120-473	78,437.00		7-1-06	6-30-07	(78,437.00)	
Other State Aid - Extraordinary Aid	08-100-034-5120-473	106,854.00		7-1-07	6-30-08		
Consolidated Aid	07-495-034-5120-057	454,460.00		7-1-06	6-30-07	(21,251.00)	
Consolidated Aid	08-495-034-5120-057	454,460.00		7-1-07	6-30-08		
Additional Formula Aid	07-495-034-5120-058	734,512.00		7-1-06	6-30-07	(34,346.00)	
Additional Formula Aid	08-495-034-5120-058	1,497,481.00		7-1-07	6-30-08		
Reimbursed T.P.A.F. Social Security	08-495-034-5095-002	1,701,560.64		7-1-07	6-30-08		
Reimbursed T.P.A.F. Social Security	07-495-034-5095-002	1,546,025.47		7-1-06	6-30-07	(76,958.02)	
Total General Fund						(1,330,500.02)	-
State Grants:							
Special Revenue Fund:							
Instructional Supplement Aid	07-495-034-5120-029	88,137.00		7-1-06	6-30-07	(4,407.00)	
Instructional Supplement Aid	08-495-034-5120-029	88,137.00		7-1-07	6-30-08		
Targeted At-Risk Aid		434,500.00		7-1-07	6-30-08		
Total Special Revenue Fund						(4,407.00)	-
Capital Projects Fund:							
New Jersey Economic Development Authority Additional State School Building Act- EDA Grants	1030-060-05-1000 SP#0390-020-04-0AEI	921,232.29	\$ 673,088.95	3-1-05	Project End	(41,455.45)	
Debt Service Fund							
Debt Service Aid	08-495-034-5120-016	1,934,188.00		7-1-07	6-30-08		
Total Debt Service Fund						-	-
Enterprise Fund:							
State School Lunch Program	08-100-010-3350-023	15,916.18		7-1-07	6-30-08		
State School Lunch Program	07-100-010-3350-023	15,900.78		7-1-06	6-30-07	(1,052.98)	
State School Breakfast Program	08-100-010-3350-021	3,310.30		7-1-07	6-30-08		
State School Breakfast Program	07-100-010-3350-021	2,481.00		7-1-06	6-30-07	(227.90)	
Total Enterprise Fund						(1,280.88)	-
Total State Financial Assistance						\$ (1,377,643.35)	\$ -

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
 The accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Adjustments(A)	Budgetary Expenditures	Balance at June 30, 2008			Memo	
			Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2008	Cumulative Total Expenditures
\$ 791,452.00							
16,130,456.00		\$ (16,925,545.00)	\$ (795,089.00)			\$ (795,089.00)	\$ (16,925,545.00)
130,685.00							
2,663,460.00		(2,794,745.00)	(131,285.00)			(131,285.00)	(2,794,745.00)
75,609.00							
1,540,977.00		(1,616,934.00)	(75,957.00)			(75,957.00)	(1,616,934.00)
108,047.00							
2,202,081.00		(2,310,624.00)	(108,543.00)			(108,543.00)	(2,310,624.00)
765.00							
15,584.00		(16,352.00)	(768.00)			(768.00)	(16,352.00)
12,950.00							
263,927.00		(276,936.00)	(13,009.00)			(13,009.00)	(276,936.00)
214,043.00		(214,043.00)				-	(214,043.00)
78,437.00							
		(106,854.00)	(106,854.00)			(106,854.00)	(106,854.00)
21,251.00							
433,111.00		(454,460.00)	(21,349.00)			(21,349.00)	(454,460.00)
34,346.00							
1,427,136.00		(1,497,481.00)	(70,345.00)			(70,345.00)	(1,497,481.00)
1,620,525.28		(1,701,560.64)	(81,035.36)				(1,701,560.64)
76,958.02							
<u>27,841,800.30</u>	<u>-</u>	<u>(27,915,534.64)</u>	<u>(1,404,234.36)</u>	<u>-</u>	<u>-</u>	<u>(1,323,199.00)</u>	<u>(27,915,534.64)</u>
4,407.00							
83,730.00		(88,137.00)	(4,407.00)			(4,407.00)	(88,137.00)
414,089.00		(434,500.00)	(20,411.00)			(20,411.00)	(434,500.00)
<u>502,226.00</u>	<u>-</u>	<u>(522,637.00)</u>	<u>(24,818.00)</u>	<u>-</u>	<u>-</u>	<u>(24,818.00)</u>	<u>(522,637.00)</u>
			(41,455.45)				
1,934,188.00		(1,934,188.00)					(1,934,188.00)
1,934,188.00	-	(1,934,188.00)	-	-	-	-	(1,934,188.00)
13,027.32		(15,916.18)	(2,888.86)				(15,916.18)
1,052.98							
2,529.10		(3,310.30)	(781.20)				(3,310.30)
227.90							
<u>16,837.30</u>	<u>-</u>	<u>(19,226.48)</u>	<u>(3,670.06)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,226.48)</u>
<u>\$ 30,295,051.60</u>	<u>\$ -</u>	<u>\$ (30,391,586.12)</u>	<u>\$ (1,474,177.87)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,348,017.00)</u>	<u>\$ (30,391,586.12)</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2008

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Black Horse Pike Regional School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District'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 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:22-44.2.

No adjustment is necessary to reconcile revenue from the budgetary basis to the GAAP basis for the general fund or for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General		\$ 27,915,534.64	\$ 27,915,534.64
Special Revenue	\$ 1,050,611.28	522,637.00	1,573,248.28
Debt Service		1,934,188.00	1,934,188.00
Food Service	354,055.34	19,226.48	373,281.82
	<u>\$ 1,404,666.62</u>	<u>\$ 30,391,586.12</u>	<u>\$ 31,796,252.74</u>

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 distribution, respectively. TPAF Social Security Contributions represents the amount reimbursed by the State for the School District's share of social security contributions for TPAF members for the year ended June 30, 2008.

Note 6: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? _____ yes X no

Were significant deficiencies identified that were considered to be material weaknesses? _____ yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? _____ yes X no

Identification of major programs:

<u>GMS Numbers</u>	<u>Name of State Program</u>
08-495-034-5120-022	State Aid Public - Core Curriculum Standards Aid
08-495-034-5120-023	State Aid Public - Supp. Core Curriculum Standards Aid
08-495-034-5120-011	State Aid Public - Special Education Aid
08-495-034-5120-008	State Aid Public - Bilingual Aid
08-495-034-5120-030	State Aid Public - Stabilization Aid
08-495-034-5120-057	State Aid Public - Consolidated Aid
08-495-034-5120-058	State Aid Public - Additional Formula Aid

Dollar threshold used to determine Type A programs \$911,747.58

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Finding No. 2008-1

Condition

Our examination of the student activity accounts revealed the following:

1. Some funds for a student trip were not deposited into the activities bank account.
2. Cash payments were made to vendors in violation of school policy.
3. Disbursements were made to employees and not included as compensation.
4. Student activity receipts and disbursements are not properly reported on the Treasurer of School Moneys report.

Criteria

In accordance with N.J.A.C. 6A:23-2.17 and good accounting control, each board of education shall ensure that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices. All receipts are to be deposited promptly and all disbursements are to be made by check. In addition, all employee compensation should be paid from the payroll account.

Effect

The school district did not comply with N.J.A.C. 6A:23-2.17.

Cause

Internal control policies and procedures in place were not adhered to.

Recommendation

That N.J.A.C. 6A:23-2.17 be adhered to as it pertains to the school activity accounts regarding the recording of receipts and disbursements and that all employee compensation be paid from the payroll account.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

None.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

None.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

Finding No. 2007-1

Program:

Core Curriculum Standards Aid (GMIS No. 07-495-034-5120-022)
Supplemental Core Curriculum Standards Aid (GMIS No. 07-495-034-5120-023)
Special Education Aid (GMIS No. 07-495-034-5120-011)
Bilingual Education Aid (GMIS No. 07-495-034-5120-008)
Stabilization Aid (GMIS No. 07-495-034-5120-030)
Consolidated Aid (GMIS No. 07-495-034-5120-057)
Additional Formula Aid (GMIS No. 07-495-034-5120-058)

Condition

Payments for the purchase and installation of gym lockers were made in excess of the bid threshold where no public bids had been sought.

Current Status

Condition resolved.

