

**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, 2010**

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

Brian Repici, Ed.D.
Director of Curriculum & Instruction

John F. Golden
*Acting Superintendent
Assistant Superintendent*

John C. Oberg, RSBA
*Board Secretary
Business Administrator*

November 15, 2010

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, 2010 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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
Catherine T. DePaul, Principal

HIGHLAND REGIONAL HIGH SCHOOL
450 Erial Road
Blackwood, NJ 08012-4599
(856) 227-4100 • Fax (856) 227-3619
Frank W. Palatucci, 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 2010 fiscal year with an enrollment of 4184 students, which is 34 students more than the previous year's ending 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
2010	4184	.819%
2009	4150	.095%
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%)

- 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 1219; current enrollment is 1634.

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 1285; current enrollment is 1121.

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 1655; current enrollment is 1429.

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. For the 2009-2010 budget year, the Federal Government provided \$5,339,890 under the American Recovery and Reinvestment Act to stabilize local budgets during the economic downturn. The State, in an effort to correct its own fiscal crisis, reduced local aid dollar for dollar of ARRA money received by the District.

- 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, 2010.

- 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 Beneficial 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.

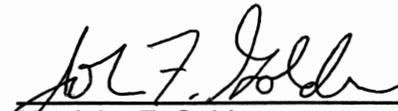
8) **OTHER INFORMATION:**

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.

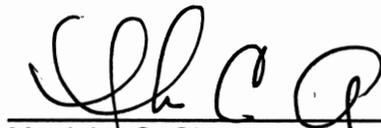
9) **ACKNOWLEDGMENTS:**

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.

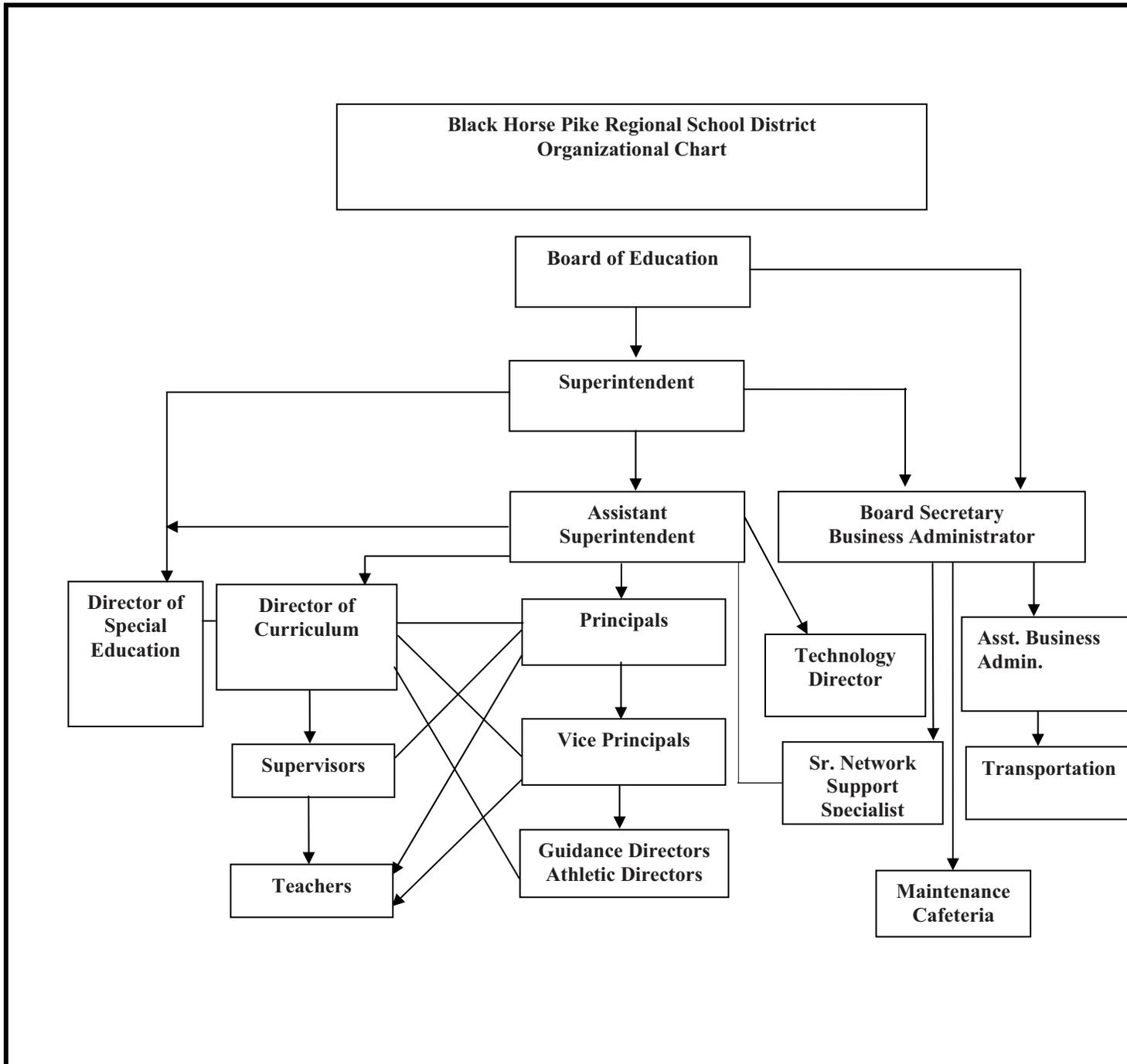
Respectfully submitted,



Mr. John F. Golden
Acting Superintendent



Mr. John C. Oberg
Board Secretary/Business Administrator



**ROSTER OF OFFICIALS
JUNE 30, 2010**

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Mr. Kevin Bucceroni	President	2011
Ms. Joyce W. Ellis	Vice-President	2011
Mr. Joseph Baldino		2012
Mr. Louis Johnston		2013
Mr. Jay McMullin		2012
Mr. Mark Schmitz		2013
Mrs. Jennifer Storer		2012
Mrs. Patricia Wilson		2013
Mr. Benjamin L. Zanghi		2011

OTHER OFFICIALS

Mr. Ralph E. Ross, Superintendent

John F. Golden, Assistant Superintendent

John C. Oberg, Board Secretary/Business Administrator

Dr. Brian Repici, Director of Curriculum

Mrs. Jean Grubb, 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

Beneficial Bank
Cross Keys Road
Sicklerville, NJ 08081

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, 2010, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 the Black Horse Pike Regional School District in the County of Camden, State of New Jersey as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 15, 2010 on our consideration of the 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 assessing 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 the 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
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
November 15, 2010

**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, 2010, and have issued our report thereon dated November 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the school district's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 no instances of noncompliance that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

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
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
November 15, 2010

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Black Horse Pike Regional School District

Management's Discussion and Analysis

Year Ended June 30, 2010

This section of the Black Horse Pike Regional School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) was a new element initiated as of June 30, 2003 as part of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2009-10) and the prior year (2008-09) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2009-10 fiscal year include the following:

- Net Assets at June 30, 2010 for Governmental and Business-Type activities were \$23,760,409 and \$104,115 respectively.
- Net Assets for both activities increased by \$3,988,336 from July 1, 2009 to June 30, 2010.
- The General Fund fund balance as of June 30, 2010 was \$2,389,412, an increase of \$118,892 when compared with the beginning balance as of July 1, 2009 of \$2,270,520.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the Black Horse Pike Regional School District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Black Horse Pike Regional School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Black Horse Pike Regional School District, reporting the Black Horse Pike Regional School District's operation in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities that the Black Horse Pike Regional School District operates like businesses.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Table A-1 summarizes the major features of the Black Horse Pike Regional School District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Table A-1

MAJOR FEATURES OF THE DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

		Fund Financial Statements	
	District-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education, building maintenance and transportation	Activities the district operates similar to private businesses: Food Service Fund
Required Financial Statements	Statements of net assets	Balance sheet	Statement of net assets
	Statement of activities	Statement of revenue, expenditures and changes in fund balances	Statement of revenue, expenses and changes in fund net assets
			Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

Black Horse Pike Regional School District
Blackwood, New Jersey

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

District-wide Statements (Cont'd)

The two district-wide statements report the Black Horse Pike Regional School District's net assets and how they have changed. Net assets – the difference between the district's assets and liabilities – are a measure of the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the overall health of the district you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, administration, and maintenance. Aid from the State of New Jersey and from the Federal government along with local property taxes finances most of these activities.
- *Business-type activities*-The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund is included here.

Fund Financial Statements

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

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

The District has three kinds of funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- **Proprietary funds** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
- **Fiduciary funds** – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

**FINANCIAL ANALYSIS OF THE BLACK HORSE PIKE
REGIONAL SCHOOL DISTRICT AS A WHOLE**

Net Assets. The District's net assets for **governmental and business-type activities** were \$23,760,409 and \$104,115, respectively, as of June 30, 2010. (See Table A-2).

Table A-2						
Black Horse Pike Regional School District's Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and Other Assets	\$ 7,237,572	\$ 5,828,526	\$ 1,061,826	\$ 909,717	\$ 8,299,397	\$ 6,738,243
Capital Assets	48,994,774	48,974,032			48,994,774	48,974,032
Total Assets	56,232,345	54,802,557	1,061,826	909,717	57,294,171	55,712,275
Long-term Liabilities	27,098,762	29,991,150	60,461	49,914	27,159,223	30,041,064
Other Liabilities	5,373,174	5,024,526	897,251	770,496	6,270,425	5,795,022
Total Liabilities	32,471,936	35,015,676	957,711	820,410	33,429,648	35,836,087
Net Assets						
Invested in capital assets, net of related debt	20,238,519	17,687,352			20,238,519	17,687,352
Restricted	6,279,910	4,965,491	-	-	6,279,910	4,965,491
Unrestricted	(2,758,020)	(2,865,962)	104,115	89,307	(2,653,905)	(2,776,655)
Total Net Assets	\$ 23,760,409	\$ 19,786,881	\$ 104,115	\$ 89,307	\$ 23,864,524	\$ 19,876,188

The District's financial position for governmental and business-type activities is the product of the following factors:

- Program revenues were \$7,343,565.
 - ✓ Charges for Services--\$1,017,458.
 - ✓ Operating Grants & Contributions--\$6,326,107.
- General revenues, Special Items, Extraordinary Items and Transfers amounted to \$65,090,954.
- Net Expenditures were \$61,102,618.
- Total District revenues & beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net assets of \$23,864,524 as of June 30, 2010.
- General Revenues (\$65,090,954) + Beginning assets (\$19,876,188) – Net expenditures (\$61,102,618) = Net Assets of \$23,864,524.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

Change in Net Assets. Net assets for **governmental and business-type activities** increased by \$3,988,336 from July 1, 2009 to June 30, 2010.
(See Table A-3).

Table A-3			
Black Horse Pike Regional School District's Changes in Net Assets			
	2010	2009	Increase/ (Decrease)
Revenues			
Program revenues:			
Charges for services	\$ 1,017,458	\$ 1,204,658	\$ (187,200)
Operating Grants and Contributions	6,326,107	5,660,100	666,007
General revenues			
Property taxes	28,674,971	27,778,117	896,854
State and Federal Aid	35,504,209	32,192,492	3,311,717
Other	911,774	915,558	(3,784)
Total revenues	<u>72,434,519</u>	<u>67,750,924</u>	<u>4,683,595</u>
Expenses			
Governmental Activities:			
Instruction:			
Regular	18,698,620	18,143,530	555,090
Special Education	4,242,245	3,951,571	290,674
Other Special Instruction	129,100	427,046	(297,947)
Other Instruction	2,279,741	2,218,314	61,427
Support Services:			
Tuition	5,005,769	5,372,218	(366,448)
Student & Instruction Related Services	7,184,974	6,577,504	607,470
School Administrative Services	2,560,211	2,485,190	75,020
General & Business Administrative Services	2,017,966	1,940,264	77,702
Plant Operations and Maintenance	5,588,556	5,655,563	(67,006)
Pupil Transportation	3,785,124	4,048,798	(263,674)
Unallocated Benefits	9,632,880	9,091,219	541,661
Reimbursed TPAF and Social Security	3,372,489	3,207,213	165,276
Special Schools	147,912	151,911	(4,000)
Interest on Long-term Debt	1,273,801	1,362,679	(88,878)
Amortization of Bond Issuance Costs	21,376	21,376	-
Unallocated Depreciation	679,177	671,730	7,446.55
Total Expenses--Governmental Activities	<u>66,619,939</u>	<u>65,326,125</u>	<u>1,293,814</u>
Business-Type Activities:			
Food Service	1,826,244	2,048,299	(222,055)
Total Expenses--Business-Type Activities	<u>1,826,244</u>	<u>2,048,299</u>	<u>(222,055)</u>
Total Expenses	68,446,183	67,374,423	1,071,759
Net Increase/(Decrease) in Net Assets	<u>3,988,336</u>	<u>376,501</u>	<u>3,611,835</u>
Net Assets July 1	<u>19,876,188</u>	<u>19,499,687</u>	<u>376,501</u>
Net Assets June 30	<u>\$ 23,864,524</u>	<u>\$ 19,876,188</u>	<u>\$ 3,988,336</u>

Black Horse Pike Regional School District
Blackwood, New Jersey

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

Total revenues for the District were \$72,434,519. Government funding was the source of 57.75% of the district's revenues. This includes the State of New Jersey and Federal sources.

Property taxes of \$28,674,971 provided 39.59% of revenues, down from 41.00% in 2009.

Other miscellaneous revenues of \$911,774 represent 1.26% of the district revenues. The largest source is transportation billings with \$596,433 earned in 2009-10.

The District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$30,355,475 (45.57%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$10,970,098 (16.47%) of total expenditures. (See Table A-3).

Total revenues exceeded expenditures for governmental activities, increasing net assets \$3,988,336 from the beginning balance as of July 1, 2009.

The District's net cost of services for governmental activities was \$60,816,825 for the year ended June 30, 2010.
(See Table A-4).

Table A-4		
Black Horse Pike Regional School District's Net Cost of Governmental Activities		
For the Year Ended June 30, 2010		
Governmental Activities:	Total Cost of Services	Net Cost of Services
Instruction:		
Regular	\$ 18,698,620	\$ 17,711,278
Special Education	4,242,245	4,242,245
Other Special Instruction	129,100	129,100
Other Instruction	2,279,741	2,279,741
Support Services:		
Tuition	5,005,769	5,005,769
Student & Instruction Related Services	7,184,974	6,339,367
School Administrative Services	2,560,211	2,560,211
General and Business Administrative Services	2,017,966	2,017,966
Plant Operations and Maintenance	5,588,556	5,588,556
Pupil Transportation	3,785,124	3,785,124
Unallocated Benefits	9,632,880	9,632,880
Reimbursed TPAF & Social Security	3,372,489	-
Special Schools	147,912	147,912
Interest on Long-term Debt	1,273,801	676,124
Amortization of Bond Issuance Costs	21,376	21,376
Unallocated Depreciation	679,177	679,177
Total Governmental Activities	<u>\$ 66,619,939</u>	<u>\$ 60,816,825</u>

Activity Descriptions

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

Tuition expenses include the cost to the District to send pupils with special needs living within the District to private schools and/or 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 General and Business Administrative services include expenses associated with establishing and administering policy for the District including financial supervision.

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

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

Unallocated benefits includes the cost of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

Interest on long-term debt and amortization of bond issuance costs involve the transactions associated with the payment of interest and other related charges to the debt of the District.

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The financial performance of the Black Horse Pike Regional School District as a whole is also reflected in the governmental funds which are accounted for using the modified accrual basis of accounting. As the District completed the year, its governmental funds reported a combined fund balance of \$4,846,470. As of June 30, 2009, the fund balance was \$3,465,272.

The Governor reduced State Aid to school districts during the school year and required districts to draw on available financial resources to compensate for this reduction. In order to balance the State budget, additional burdens were placed on local units. The District relied on taxpayers to fund the difference to ensure a thorough and efficient education.

All governmental funds had total revenues of \$70,931,527 and total expenditures of \$69,212,269.

GENERAL FUND BUDGETING HIGHLIGHTS

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

The General Fund includes the primary operations of the District in providing educational services to students at the three high schools and includes pupil transportation activities and capital outlay projects.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

The following schedule (Table A-5) presents a summary of General Fund Revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

Table A-5				
Black Horse Pike Regional School District				
Summary of General Fund Revenues				
	<u>Year Ended</u> <u>June 30, 2010</u>	<u>Year Ended</u> <u>June 30, 2009</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Increase</u> <u>(Decrease)</u>
Local sources:				
Local tax levy	\$ 26,795,855	\$ 25,861,401	\$ 934,454	3.6%
Transportation	596,433.00	501,233	95,200	19.0%
Miscellaneous	346,189	403,979	(57,790)	-14.3%
Total - Local Sources	<u>27,738,477</u>	<u>26,766,613</u>	<u>971,864</u>	<u>3.6%</u>
State Sources	31,068,828	33,666,381	(2,597,553)	-7.7%
Federal Sources	5,423,706	9,288	5,414,418	100.0%
Total - Govt Sources	<u>36,492,534</u>	<u>33,675,669</u>	<u>2,816,865</u>	<u>8.4%</u>
Total Revenues	<u>\$ 64,231,011</u>	<u>\$ 60,442,282</u>	<u>\$ 3,788,729</u>	<u>6.3%</u>

A significant source of funding for the district is received from local property taxes that accounted for 41.72% of total revenues. State aid is the primary source of funding for the district and accounted for 45.37% of total revenues. Further reductions in State Aid due to economic conditions at the State level have placed an undue burden on local taxpayers. The district continues to review, study and implement various cost saving mechanisms in order to offset the lost State Aid. Employment reductions were included in the 2010-2011 budget that was passed by the voters in April 2010.

Total General Fund revenues increased by \$3,788,729 or 6.3% from the previous year due in large part to the American Recovery and Reinvestment Act (ARRA) funding provided to stabilize local budgets. The ARRA funding is not part of the 2010-2011 budget and State Aid is anticipated to be on the decline for future budgets.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

The following schedule (Table A-6) presents a summary of General Fund expenditures. The summary reflects the dollar and percent increases (decreases) from the prior year.

Table A-6				
Black Horse Pike Regional School District				
Summary of General Fund Expenditures				
	Year Ended June 30, 2010	Year Ended June 30, 2009	Amount of Increase/ (Decrease)	Percent Increase/ (Decrease)
Current:				
Regular Instruction	\$ 16,881,462	\$ 16,165,682	\$ 715,780	4.4%
Special Education Instruction	4,242,245	3,951,571	290,674	7.4%
Other Special Instruction	129,100	427,046	(297,947)	-69.8%
Other Instruction	2,195,172	2,135,057	60,115	2.8%
Support Services and Undistributed Costs:				
Tuition	5,005,769	5,372,218	(366,448)	-6.8%
Student & Instruction Related Services	6,339,367	6,364,697	(25,330)	-0.4%
School Administrative Services	2,560,211	2,485,190	75,020	3.0%
Other Administrative Services	1,979,323	2,144,720	(165,397)	-7.7%
Plant Operations and Maintenance	5,565,917	5,633,206	(67,289)	-1.2%
Pupil Transportation	3,785,124	4,048,798	(263,674)	-6.5%
Unallocated Employee Benefits	9,550,232	9,051,332	498,900	5.5%
Reimbursed TPAF Pension & SS	3,372,489	3,207,213	165,276	5.2%
Special Schools	147,912	151,911	(4,000)	-2.6%
Capital Outlay	735,061	345,359	389,702	112.8%
Total Expenditures	\$ 62,489,383	\$ 61,484,000	\$ 1,005,383	1.6%

Total General Fund expenditures increased \$1,005,383 or 1.6% from the previous year. This increase was due primarily to the increase in employee health benefits and special education costs.

The Black Horse Pike Regional School District utilizes its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the subsequent year's budgets and provide tax relief were \$2,026,313 for the 2009-10 school year and \$2,307,282 for the 2010-11 school year.

The District has continued the practice of returning surplus funds to taxpayers in the subsequent budget years. However, in June of 2004 the State of New Jersey passed legislation (SR1701) that weakened the financial position of all school districts. The legislation immediately reduced fund balance to a maximum of 3% as of June 30, 2004 and a maximum of 2% as of June 30, 2005 and each year thereafter. The District is left with a fund balance that could result in a negative cash flow during summer months if local taxes, federal and state aid are not received in a timely manner.

During the course of fiscal year 2010 the District modified the General Fund Budget as needed to ensure no line item was projected to be over-expended.

Black Horse Pike Regional School District
Blackwood, New Jersey

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

DEBT SERVICE FUND

The current year obligations for payment of debt service principal and interest amounted to \$3,814,519, of which \$1,879,116 in funding was provided by the local tax levy, \$1,916,617 was received as aid from the State and the balance of funding was prior year surplus.

FOOD SERVICE FUND

The Food Service Fund had net assets of \$104,115 as of June 30, 2010. This reflects an increase of \$14,808 from June 30, 2009.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital Assets are individual items purchased at a cost exceeding \$2,000, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of 2010, the District had capital assets with a book value of \$48,994,774. This consists of a broad range of capital assets, including land, school buildings, computer and audio-visual equipment, administrative offices, and construction in progress for renovations at various schools within the District. (See Table A-7). Total depreciation expense for the year was \$1,789,738.

Table A-7						
Black Horse Pike Regional School District's Capital Assets						
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 1,252,903	\$ 1,252,903			\$ 1,252,903	\$ 1,252,903
Construction in Progress	484,892	770,148			484,892	770,148
Buildings and Improvements	62,523,986	60,428,249			62,523,986	60,428,249
Furnishings and Equipment	10,895,577	10,895,577	\$ 595,333	\$ 595,333	11,490,910	11,490,910
Total Capital Assets	<u>75,157,358</u>	<u>73,346,877</u>	<u>595,333</u>	<u>595,333</u>	<u>75,752,691</u>	<u>73,942,210</u>
Less:						
Accumulated Depreciation	<u>(26,162,584)</u>	<u>(24,372,846)</u>	<u>(595,333)</u>	<u>(595,333)</u>	<u>(26,757,917)</u>	<u>(24,968,178)</u>
Net Capital Assets	<u>\$ 48,994,774</u>	<u>\$ 48,974,032</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,994,774</u>	<u>\$ 48,974,032</u>

Long-term Obligations

At year-end, the District had \$29,702,000 in general obligation bonds outstanding, a decrease of \$2,625,000 from last year. (See Table A-8).

There were no obligations under Capital Leases as of June 30, 2010 since the District made its final payment on its one capital lease during 2009-2010. The District also had a \$1,442,493 general liability for compensated absences. This liability represents the District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement. The liability for Compensated Absences was calculated utilizing an expected retirement age of 55, which is the minimum

Black Horse Pike Regional School District
Blackwood, New Jersey

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

retirement age with 25 years of service. In the future, this calculation will be revised as new pension laws are enacted, effecting minimum retirement age.

Table A-8				
Black Horse Pike Regional School District				
Long Term Debt Schedule				
<u>Governmental Activity</u>	<u>Balance at</u>	<u>Balance at</u>	<u>Increase/</u>	<u>%</u>
	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>(Decrease)</u>	<u>Change</u>
General Obligation Bonds Payable	\$ 29,702,000	\$ 32,327,000	\$ (2,625,000)	-8.1%
Obligations Under Capital Leases	-	134,894.20	(134,894)	-
Compensated Absences	<u>1,442,493</u>	<u>1,359,845</u>	<u>82,648</u>	<u>6.1%</u>
Total	<u>\$ 31,144,493</u>	<u>\$ 33,821,739</u>	<u>\$ (2,677,246)</u>	<u>-7.9%</u>

THE FUTURE OUTLOOK

For the 2010-2011 budget year, the Governor has implemented financial measures to cope with the State of New Jersey's growing budget deficit. The result of these measures was a reduction in State Aid for the Black Horse Pike Regional School District of \$3.4 million. We were able to financially stabilize the District through appropriation of District reserves, a freeze in District spending during the 2009-2010 school year, additional reductions in spending for the 2010-2011 school year and a tax increase for the 2010-2011 budget. Despite the increase in tax levy, the voters passed the budget in an effort to prevent further spending reductions which would impact students.

The District now must function within a newly enacted economic parameter established by the Governor and State Legislators. The Legislature passed a 2% cap on the tax levy, with limited exceptions. The District must compensate for the \$3.4 million loss in State Aid while complying with the new, more restrictive 2% cap on the tax levy.

In order to meet this extraordinary challenge, we must implement a comprehensive solution which will have a significant impact on the way in which our District will function in the future. With input from the community, we must clearly establish the core services the District must provide to our students to ensure a superior education. We must challenge the community to define the overall educational environment they desire for their children.

Notwithstanding the adoption of the fiscal plan for 2011-2012, the 2012-2013 budget will require continued fiscal austerity, especially in the area of negotiations and discretionary spending. The actions required to move the District into compliance with the new economic parameters and maintain a quality education are significant, but achievable.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact John C. Oberg, Board Secretary/Business Administrator at: Black Horse Pike Regional School District, 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, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 1,585,087.35	\$ 988,191.93	\$ 2,573,279.28
Receivables, net	3,927,565.96	38,216.65	3,965,782.61
Deferred Charge:			
Debt Issuance (Net of Amortization)	213,758.40		213,758.40
Inventory		35,417.33	35,417.33
Prepaid Expenses			
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,085,092.26		1,085,092.26
Capital Reserve Account - Cash	426,067.56		426,067.56
Capital Assets, net (Note 6)	<u>48,994,773.72</u>		<u>48,994,773.72</u>
Total Assets	<u>56,232,345.25</u>	<u>1,061,825.91</u>	<u>57,294,171.16</u>
LIABILITIES:			
Accounts Payable	689,707.16	155.74	689,862.90
Short Term Loan Payable	1,316,459.00		1,316,459.00
Interfunds Payable		897,094.96	897,094.96
Accrued Interest	95,845.32		95,845.32
Deferred Revenue	171,177.12		171,177.12
Noncurrent Liabilities (Note 7):			
Due within One Year	3,099,985.44		3,099,985.44
Due beyond One Year	<u>27,098,762.22</u>	<u>60,460.62</u>	<u>27,159,222.84</u>
Total Liabilities	<u>32,471,936.26</u>	<u>957,711.32</u>	<u>33,429,647.58</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	20,238,519.29		20,238,519.29
Restricted for:			
Debt Service	0.62		0.62
Capital Projects	3,096,883.68		3,096,883.68
Other Purposes	3,183,025.22		3,183,025.22
Unrestricted	<u>(2,758,019.82)</u>	<u>104,114.59</u>	<u>(2,653,905.23)</u>
Total Net Assets	<u>\$ 23,760,408.99</u>	<u>\$ 104,114.59</u>	<u>\$ 23,864,523.58</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, 2010

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 18,698,619.61		\$ 987,341.82		\$ (17,711,277.79)	\$ (17,711,277.79)	
Special Education	4,242,244.95				(4,242,244.95)	(4,242,244.95)	
Other Special Instruction	129,099.74				(129,099.74)	(129,099.74)	
Other Instruction	2,279,740.76				(2,279,740.76)	(2,279,740.76)	
Support Services:							
Tuition	5,005,769.18				(5,005,769.18)	(5,005,769.18)	
Student and Instruction Related Services	7,184,973.51		845,606.09		(6,339,367.42)	(6,339,367.42)	
School Administrative Services	2,560,210.88				(2,560,210.88)	(2,560,210.88)	
General and Business Administrative Services	2,017,965.70				(2,017,965.70)	(2,017,965.70)	
Plant Operations and Maintenance	5,588,556.48				(5,588,556.48)	(5,588,556.48)	
Pupil Transportation	3,785,124.00				(3,785,124.00)	(3,785,124.00)	
Unallocated Benefits	9,632,880.17				(9,632,880.17)	(9,632,880.17)	
Reimbursed TPAF and Social Security	3,372,488.90		3,372,488.90				
Special Schools	147,911.57				(147,911.57)	(147,911.57)	
Amortization of Debt Issuance Costs	21,375.83				(21,375.83)	(21,375.83)	
Interest on Long-Term Debt	1,273,800.99		597,677.46		(676,123.53)	(676,123.53)	
Unallocated Depreciation	679,176.65				(679,176.65)	(679,176.65)	
Total Governmental Activities	66,619,938.92		5,803,114.27		(60,816,824.65)	(60,816,824.65)	
Business-Type Activities:							
Food Service	1,826,244.03	\$ 1,017,458.19	522,992.47			\$ (285,793.37)	
Total Business-Type Activities	1,826,244.03	1,017,458.19	522,992.47			(285,793.37)	
Total Primary Government	\$ 68,446,182.95	\$ 1,017,458.19	\$ 6,326,106.74			\$ (61,102,618.02)	
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					26,795,855.00	26,795,855.00	
Taxes Levied for Debt Service					1,879,116.00	1,879,116.00	
Federal and State Aid not Restricted					33,120,045.29	33,120,045.29	
Federal and State Aid Restricted					2,384,163.80	2,384,163.80	
Transportation					596,433.25	596,433.25	
Miscellaneous Income					352,799.20	352,799.20	
Special Item -- Audit Recovery Deduction					(44,635.00)	(44,635.00)	
Transfers					(293,424.87)	(293,424.87)	
Total General Revenues, Special Items, Extraordinary Items and Transfers					64,790,352.67	64,790,352.67	
Change in Net Assets					3,973,528.02	3,973,528.02	
Net Assets -- July 1					19,786,880.97	19,786,880.97	
Net Assets -- June 30					\$ 23,760,408.99	\$ 23,760,408.99	

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, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 1,585,087.35	\$ 15,442.92	\$ 1,069,648.72	\$ 0.62	\$ 2,670,179.61
Capital Reserve Account - Cash	426,067.56				426,067.56
Receivables, net:					
Interfund Receivable:					
Special Revenue Fund	563,509.14				563,509.14
Enterprise Fund	897,094.96				897,094.96
Capital Projects Fund	41,455.45				41,455.45
Receivables from Other Governments:					
Federal Government		739,362.17			739,362.17
State of New Jersey	323,262.00		1,428,864.45		1,752,126.45
Local Governments - Tax Levy	396,714.33				396,714.33
Local Governments - Transportation	125,107.25				125,107.25
Other LEAs	19,044.64				19,044.64
Total Assets	\$ 4,377,342.68	\$ 754,805.09	\$ 2,498,513.17	\$ 0.62	\$ 7,630,661.56
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 669,588.33	\$ 20,118.83			\$ 689,707.16
Short Term Loan Payable	1,316,459.00				1,316,459.00
Interfund Payable:					
General Fund		563,509.14	\$ 41,455.45		604,964.59
Unemployment Fund	1,883.84				1,883.84
Debt Service Fund					
Capital Projects Fund					
Payable to State Government					
Deferred Revenue		171,177.12			171,177.12
Total Liabilities	1,987,931.17	754,805.09	41,455.45		2,784,191.71
Fund Balances:					
Reserved for:					
Encumbrances	875,743.73		1,649,479.57		2,525,223.30
Legally Restricted -- Designated for Subsequent Year's Expenditures			807,578.15		807,578.15
Capital Reserve Account	426,067.56				426,067.56
Excess Surplus -- Designated for Subsequent Year's Expenditures	153,924.49				153,924.49
Unreserved	(1,219,681.78)			0.62	(1,219,681.16)
Unreserved - Designated for Subsequent Year's Expenditures	2,153,357.51				2,153,357.51
Total Fund Balances (Deficit)	2,389,411.51	-	2,457,057.72	0.62	4,846,469.85
Total Liabilities and Fund Balances	\$ 4,377,342.68	\$ 754,805.09	\$ 2,498,513.17	\$ 0.62	
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 \$75,005,954.83 and the accumulated depreciation is \$26,162,584.05.					
					48,994,773.72
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.					
					(30,198,747.66)
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.					
					213,758.40
Interest on long term debt is accrued on the Statement of Net Assets regardless when due.					
					(95,845.32)
Net assets of governmental activities					<u>\$ 23,760,408.99</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, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 26,795,855.00			\$ 1,879,116.00	\$ 28,674,971.00
Transportation	596,433.25				596,433.25
Miscellaneous	346,188.31	\$ 19,007.00	\$ 6,610.89		371,806.20
State Sources	31,068,827.90		990,663.00	1,916,617.00	33,976,107.90
Federal Sources	5,423,706.29	1,888,502.17			7,312,208.46
Total Revenues	<u>64,231,010.75</u>	<u>1,907,509.17</u>	<u>997,273.89</u>	<u>3,795,733.00</u>	<u>70,931,526.81</u>
EXPENDITURES:					
Current:					
Regular Instruction	16,881,462.22	987,341.82			17,868,804.04
Special Education Instruction	4,242,244.95				4,242,244.95
Other Special Instruction	129,099.74				129,099.74
Other Instruction	2,195,171.74				2,195,171.74
Support Services and Undistributed Costs:					
Tuition	5,005,769.18				5,005,769.18
Student and Instruction Related Services	6,339,367.42	845,606.09			7,184,973.51
School Administrative Services	2,560,210.88				2,560,210.88
Other Administrative Services	1,979,322.59				1,979,322.59
Plant Operations and Maintenance	5,565,916.54				5,565,916.54
Pupil Transportation	3,785,124.00				3,785,124.00
Unallocated Benefits	9,550,232.10				9,550,232.10
Reimbursed TPAF Pension and Social Security	3,372,488.90				3,372,488.90
Special Schools	147,911.57				147,911.57
Debt Service:					
Principal				2,625,000.00	2,625,000.00
Interest and Other Charges				1,189,518.76	1,189,518.76
Capital Outlay	735,060.92	74,561.26	1,000,858.42		1,810,480.60
Total Expenditures	<u>62,489,382.75</u>	<u>1,907,509.17</u>	<u>1,000,858.42</u>	<u>3,814,518.76</u>	<u>69,212,269.10</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,741,628.00</u>		<u>(3,584.53)</u>	<u>(18,785.76)</u>	<u>1,719,257.71</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, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Operating Transfers:					
General Fund/Capital Reserve	\$ (781,532.00)		\$ 781,532.00		
General Fund/Capital Outlay	(509,755.00)		509,755.00		
Enterprise Fund	(293,424.87)				\$ (293,424.87)
Capital Projects Fund	6,610.89		(6,610.89)		
Audit Recovery Deduction	(44,635.00)				(44,635.00)
	<u>(1,622,735.98)</u>		<u>1,284,676.11</u>		<u>(338,059.87)</u>
Total Other Financing Sources and Uses					
Net Change in Fund Balances	\$ 118,892.02	\$ -	1,281,091.58	\$ (18,785.76)	1,381,197.84
Fund Balance -- July 1	<u>2,270,519.49</u>		<u>1,175,966.14</u>	<u>18,786.38</u>	<u>3,465,272.01</u>
Fund Balance -- June 30	<u>\$ 2,389,411.51</u>	<u>\$ -</u>	<u>\$ 2,457,057.72</u>	<u>\$ 0.62</u>	<u>\$ 4,846,469.85</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, 2010

Total Net Change in Fund Balances - Governmental Funds		\$ 1,381,197.84
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<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	\$ (1,789,738.49)	
Capital Outlays	1,810,480.60	
		20,742.11
<p>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.</p>		
		2,625,000.00
<p>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.</p>		
		134,894.20
<p>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.</p>		
		(115,950.38)
<p>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. (+)</p>		
		10,292.32
<p>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 (+).</p>		
		(82,648.07)
		(82,648.07)
Change in Net Assets of Governmental Activities		\$ 3,973,528.02

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, 2010

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 419,290.20
Daily Sales - Non-Reimbursable Programs	539,729.80
Special Functions	58,438.19
	1,017,458.19
Total Operating Revenues	1,017,458.19
OPERATING EXPENSES:	
Salaries	838,188.60
Employee Benefits	368,111.39
General Supplies	61,275.82
Miscellaneous	9,720.00
Management Fee	58,030.51
Cost of Sales	490,917.71
	1,826,244.03
Total Operating Expenses	1,826,244.03
Operating Income (Loss)	(808,785.84)
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	17,702.88
State School Breakfast Program	4,818.30
Federal Sources:	
National School Lunch Program	361,829.57
National School Breakfast Program	66,076.72
Food Distribution Program	72,565.00
Interest and Investment Revenue	7,176.14
	530,168.61
Total Nonoperating Revenues	530,168.61
Income (Loss) before Contributions and Transfers	(278,617.23)
Operating Transfers In (Out) - General Fund	293,424.87
Change in Net Assets (Loss)	14,807.64
Total Net Assets -- July 1	89,306.95
Total Net Assets -- June 30	\$ 104,114.59

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, 2010

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 1,046,460.79
Payments to Employees	(548,000.37)
Payments for Employee Benefits	(357,565.04)
Payments to Vendors	<u>(721,582.47)</u>
Net Cash Provided by (used for) Operating Activities	<u>(580,687.09)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	22,428.28
Federal Sources	423,757.02
Operating Subsidies and Transfers to other Funds	<u>293,424.87</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>739,610.17</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>7,176.14</u>
Net Cash Provided by (used for) Investing Activities	<u>7,176.14</u>
Net Increase (Decrease) in Cash and Cash Equivalents	166,099.22
Balances -- July 1	<u>822,092.71</u>
Balances -- June 30	<u><u>\$ 988,191.93</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (808,785.84)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	
Food Distribution Program	72,565.00
(Increase) Decrease in Other Accounts Receivable	29,002.60
(Increase) Decrease in Inventories	(10,769.88)
Increase (Decrease) in Accounts Payable	126,754.68
Increase (Decrease) in Other Current Liabilities	<u>10,546.35</u>
Total Adjustments	<u>228,098.75</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (580,687.09)</u></u>

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, 2010

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student Activity	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 17,661.90	\$ 608,129.73	\$ 37,620.52
Interfund Accounts Receivable:			
Due from General Fund	1,883.84		
Due from Payroll	15,657.23		
	<u>35,202.97</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>
Total Assets	<u>35,202.97</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>
LIABILITIES:			
Interfund Payable - General Fund			
Interfund Payable - Unemployment Trust Fund			\$ 15,657.23
Accounts Payable	12,144.74		
Payable to Student Groups		\$ 608,129.73	
Payroll Deductions and Withholdings			21,963.29
	<u>12,144.74</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>
Total Liabilities	<u>12,144.74</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>
NET ASSETS:			
Held in Trust for Unemployment Claims	<u>\$ 23,058.23</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, 2010

	<u>Unemployment Compensation Trust</u>
ADDITIONS:	
Board Contributions	\$ 55,500.00
Payroll Deductions	<u>50,034.02</u>
Total Contributions	<u>105,534.02</u>
Investment earnings:	
Interest	<u>138.15</u>
Net Investment Earnings	<u>138.15</u>
Total Additions	<u>105,672.17</u>
DEDUCTIONS:	
Unemployment Claims	<u>97,423.91</u>
Total Deductions	<u>97,423.91</u>
Change in Net Assets	8,248.26
Net Assets -- July 1	<u>14,809.97</u>
Net Assets -- June 30	<u><u>\$ 23,058.23</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, 2010

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, 2010 of 4,104.

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*. There were no organizations that were considered component units.

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)**

General Fund (Cont'd) - In addition to the capital outlay sub-fund, the School District is accountable for two additional sub-funds resulting from federal legislation signed into law on February 17, 2009. This federal law requires the tracking and separate reporting of American Recovery and Reinvestment Act (ARRA) funds. ARRA State Fiscal Stabilization Funds were provided to districts to be used for general fund expenses. The New Jersey State Department of Education requires that the ARRA - Education Stabilization Fund (ESF) and the ARRA – Governmental Services Fund (GSF) are to be recorded as separate sub-funds.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenues from the federal and state 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 fund 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.

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

Proprietary Funds (Cont'd) - 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

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 a 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.

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

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 after fiscal year end.

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, if any, 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:23A-16.2(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:23A-13.3.

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 one or more June state aid payments 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 one or more June state aid payments.

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, for all funds, 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, 2010 and 2009 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, 2010.

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, 2010, 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.

It is the School District's policy to apply 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, tuition, excess surplus, capital reserve accounts, maintenance reserve accounts, emergency reserves, and debt service reserves.

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 \$6,673,806.88 as of June 30, 2010, \$782,966.34 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 fiscal year-end (June 1 to June 30) 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:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

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

Beginning Balance July 1, 2009		\$ 1,198,336.00
Increased by:		
Interest Earnings	\$ 9,263.56	
Deposits:		
None for 2009-2010		
Decreased by:		9,263.56
Withdrawals:		
Board Resolution (June 18, 2010)	147,582.00	
Board Resolution (June 18, 2010)	633,950.00	
Total Withdrawals		<u>781,532.00</u>
Ending Balance June 30, 2010		<u><u>\$ 426,067.56</u></u>

The June 30, 2010 LRFP balance of local support costs of uncompleted projects at June 30, 2010 is \$58,320,639. The withdrawals from the capital reserve were for use in a DOE approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2010 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>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Intergovernmental	\$ 864,128.22	\$ 739,362.17	\$ 1,428,864.45	\$ 38,216.65	\$ 3,070,571.49
Other					
Total	<u><u>\$ 864,128.22</u></u>	<u><u>\$ 739,362.17</u></u>	<u><u>\$ 1,428,864.45</u></u>	<u><u>38,216.65</u></u>	<u><u>\$ 3,070,571.49</u></u>

Note 5: INVENTORY

Inventory in the food service fund at June 30, 2010 consisted of the following:

Food	\$ 33,546.24
Supplies	<u>1,871.09</u>
	<u><u>\$ 35,417.33</u></u>

Note 6: CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,252,903.00			\$ 1,252,903.00
Construction in Progress	770,147.86	\$ 1,000,858.42	\$ (1,286,114.00)	484,892.28
Total Capital Assets not being Depreciated	<u>2,023,050.86</u>	<u>1,000,858.42</u>	<u>(1,286,114.00)</u>	<u>1,737,795.28</u>
Capital Assets, being Depreciated:				
Land Improvements	5,841,958.00			5,841,958.00
Building and Improvements	54,586,291.36	\$ 2,095,736.18		56,682,027.54
Equipment	10,895,576.95			10,895,576.95
Total Capital Assets, being Depreciated	<u>71,323,826.31</u>	<u>2,095,736.18</u>	<u>-</u>	<u>73,419,562.49</u>
Less Accumulated Depreciation for:				
Land Improvements	(3,161,236.00)	(211,791.00)		(3,373,027.00)
Building and Improvements	(13,085,484.36)	(1,110,744.11)		(14,196,228.47)
Equipment	(8,126,125.20)	(467,203.38)		(8,593,328.58)
Total Accumulated Depreciation	<u>(24,372,845.56)</u>	<u>(1,789,738.49) *</u>	<u>-</u>	<u>(26,162,584.05)</u>
Total Capital Assets, being Depreciated, Net	<u>46,950,980.75</u>	<u>305,997.69</u>	<u>-</u>	<u>47,256,978.44</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,974,031.61</u>	<u>\$ 1,306,856.11</u>	<u>\$ (1,286,114.00)</u>	<u>\$ 48,994,773.72</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 595,332.74			\$ 595,332.74
Less Accumulated Depreciation	(595,332.74)			(595,332.74)
Total Business-Type Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 829,815.57
Other Instruction	84,569.02
General and Business Administrative Services	173,537.31
Plant Operations and Maintenance	22,639.94
Unallocated	679,176.65
Total Depreciation Expense	<u>\$ 1,789,738.49</u>

Note 7: LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2010, the following changes occurred in long-term obligations:

	<u>Principal Outstanding July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2010</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 32,327,000.00		\$ (2,625,000.00)	\$ 29,702,000.00	\$ 2,700,000.00
Obligations under Capital Lease	134,894.20		(134,894.20)		
Compensated Absences	1,359,845.16	\$ 113,023.07	(30,375.00)	1,442,493.23	399,985.44
Governmental Activity Long-term Liabilities	<u>\$ 33,821,739.36</u>	<u>\$ 113,023.07</u>	<u>\$ (2,790,269.20)</u>	<u>\$ 31,144,493.23</u>	<u>\$ 3,099,985.44</u>
Business-Type Activities:					
Compensated Absences	<u>\$ 48,527.57</u>	<u>\$ 11,933.05</u>		<u>\$ 60,460.62</u>	<u>\$ 22,784.09</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>
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	2,875,000.00	791,243.76	3,666,243.76
2015	2,950,000.00	679,968.76	3,629,968.76
2016-2020	15,547,000.00	1,602,415.66	17,149,415.66
	29,702,000.00	<u>\$ 6,059,659.46</u>	<u>\$ 35,761,659.46</u>
Add/(Less):			
Discount on Bonds	(33,428.96)		
Premium on Bonds	108,368.19		
Unamortized Loss on Refunding Bonds	<u>(1,023,684.80)</u>		
	28,753,254.43		
Due Within One Year	<u>(2,700,000.00)</u>		
Long Term Portion	<u>\$ 26,053,254.43</u>		

Note 7: LONG-TERM OBLIGATIONS (CONT'D)

Bonds Authorized But Not Issued - As of June 30, 2010, 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: SHORT-TERM OBLIGATIONS

State School Aid Anticipation Note - N.J.S.A. 18A:22-44.2 states that if a board of education of a school district is notified by the Commissioner of Education that one or more June State school aid payments will not be made until the following school budget year, and the district demonstrates through a written application to the Commissioner the need to borrow and the Commissioner approves that application, the board may borrow on or before June 30 of the current school budget year, but not earlier than June 8 of the current school budget year, a sum not exceeding the amount of the delayed State school aid payments, and may execute and deliver promissory notes therefor through private sale or delivery thereof. In accordance with this statute, on June 8, 2010, the School District issued a State School Aid Anticipation Note in the amount of \$1,316,459.00, at an annual interest rate of 2.50%, maturing on July 7, 2010. The State of New Jersey shall pay, on behalf of the School District, the required interest due on the Note.

The following represents changes in short-term debt obligations for the fiscal year ended June 30, 2010:

	<u>Principal Outstanding July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2010</u>
State School Aid Anticipation Note	\$ 1,902,952.00	\$ 1,316,459.00	\$ 1,902,952.00	\$ 1,316,459.00

Note 9: OPERATING LEASES

At June 30, 2010, the School District had operating lease agreements in effect for copy machines, mail machines, and textbooks. The future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2011	\$ 176,073.36
2012	176,073.36
2013	146,727.80
	<u>\$ 498,874.52</u>

Rental payments under operating leases for the fiscal year ended June 30, 2010 were \$176,325.32.

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 were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began 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 by the district 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 were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began 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 - The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Public Employees Retirement System

<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>
2010	\$305,412.00	\$ 297,995.00	\$ 603,407.00		\$ 603,407.00
2009	284,563.00	259,554.00	544,117.00		544,117.00
2008	281,775.00	217,148.00	498,923.00	\$ 99,784.60	399,138.40

Note 11: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 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. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State 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 retire from a board of education or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in fiscal year 2009.

Note 12: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2010, 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 \$77,312 and \$1,452,032, 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>
2010	\$ 55,000.00	\$ 50,034.02	\$ 97,423.91	\$ 23,058.23
2009	-	49,258.81	106,182.01	14,809.97
2008	-	46,521.65	116,468.43	71,246.69

Note 14: DEFERRED COMPENSATION

The School District 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, 2010, the liability for compensated absences in the governmental activities and proprietary fund types was \$1,442,493.23 and \$60,460.62, respectively.

Note 16: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 1,502,059.55	\$ 1,883.84
Special Revenue		563,509.14
Capital Projects		41,455.45
Proprietary		897,094.96
Fiduciary	1,883.84	
	<u>1,883.84</u>	<u>1,883.84</u>
	<u>\$ 1,503,943.39</u>	<u>\$ 1,503,943.39</u>

Note 17: 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, 2010, \$29,352,000 of bonds outstanding is considered defeased.

Note 18: DEFICIT FUND BALANCES

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 June payments 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 \$1,219,681.78 is less than the June state aid payments.

Note 19: DEFICIT UNRESTRICTED NET ASSETS

The governmental funds had a deficit in unrestricted net assets of \$2,758,019.82 as of June 30, 2010. This deficit is attributable to the allocation of compensated absences balances payable to unrestricted net assets as well as result from a delay in the June payments of state aid until the following fiscal year.

Note 20: 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:

Note 20: FUND BALANCES (CONT'D)**RESERVED (CONT'D)**

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. As of June 30, 2010, \$875,743.73 has been reserved for this purpose.

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). New Jersey school districts are required to reserve general fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance on a budgetary basis at June 30, 2010 is \$497,215.11. Additionally, \$153,924.49 of excess fund balance generated during 2008-2009 has been restricted and designated for utilization in the 2010-2011 budget.

For Capital Reserve Account - As of June 30, 2010, the balance in the capital reserve account is \$426,067.56. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

UNRESERVED

General Fund - Of the \$3,590,833.62 budgetary basis unreserved general fund fund balance at June 30, 2010, \$2,153,357.51 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2011 and \$1,437,476.11 is undesignated.

Debt Service Fund - The debt service fund fund balance at June 30, 2010 of \$0.62 is unreserved and undesignated.

Note 21: LITIGATION

The School District is a defendant in several 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, 2010

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 26,795,855.00	\$ -	\$ 26,795,855.00	\$ 26,795,855.00	\$ 1,681.25
Transportation	594,752.00		594,752.00	596,433.25	9,263.56
Interest Earned on Capital Reserve Funds				9,263.56	70,924.75
Unrestricted Miscellaneous Revenues	266,000.00		266,000.00	336,924.75	
Total - Local Sources	27,656,607.00		27,656,607.00	27,738,476.56	81,869.56
State Sources:					
Extraordinary Aid	99,818.00		99,818.00	262,932.00	163,114.00
Categorical Special Education Aid	2,280,647.00		2,280,647.00	2,280,647.00	
Equalization Aid	29,429,625.00	(5,339,890.00)	24,089,735.00	24,089,735.00	
Categorical Security Aid	491,993.00		491,993.00	367,793.00	(124,200.00)
Categorical Transportation Aid	1,323,464.00		1,323,464.00	860,252.00	(463,212.00)
Other State Aid - Nonpublic Transportation Aid				60,330.00	60,330.00
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				1,452,032.00	1,452,032.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				77,312.00	77,312.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,843,144.90	1,843,144.90
Total - State Sources	33,625,547.00	(5,339,890.00)	28,285,657.00	31,294,177.90	3,008,520.90
Federal Sources:					
Equalization Aid - ARRA ESF		5,140,879.00	5,140,879.00	5,140,879.00	
Equalization Aid - ARRA GSF		199,011.00	199,011.00	199,011.00	
SEMI -- Medicaid Initiative	47,750.00		47,750.00	83,816.29	36,066.29
Total - Federal Sources	47,750.00	5,339,890.00	5,387,640.00	5,423,706.29	36,066.29
Total Revenues	61,329,904.00	-	61,329,904.00	64,456,360.75	3,126,456.75
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:	14,893,208.00	(517,355.00)	14,375,853.00	14,299,317.39	76,535.61
Grades 9-12					(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 185,000.00	\$ 135,500.00	\$ 320,500.00	\$ 320,235.80	\$ 264.20
Purchased Professional - Educational Services	120,000.00	49,680.00	169,680.00	160,366.43	9,313.57
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	498,000.00	361,936.45	859,936.45	850,828.30	9,108.15
Purchased Technical Services	25,180.00	(24,000.00)	1,180.00	245.00	935.00
Other Purchased Services (400-500 Series)	345,610.00	(150,014.00)	195,596.00	185,091.45	10,504.55
General Supplies	817,976.00	(69,279.88)	748,696.12	705,831.95	42,864.17
Textbooks	391,643.00	(26,600.00)	365,043.00	359,545.90	5,497.10
Total Regular Programs	17,276,617.00	(240,132.43)	17,036,484.57	16,881,462.22	155,022.35
Special Education - Instruction:					
Learning and / or Language Disabilities:					
Salaries of Teachers	1,098,982.00	(1,098,982.00)			
Other Salaries for Instruction	341,376.00	(341,376.00)			
General Supplies	15,000.00		15,000.00	14,671.15	328.85
Textbooks	9,050.00		9,050.00	7,854.85	1,195.15
Total Learning and / or Language Disabilities	1,464,408.00	(1,440,358.00)	24,050.00	22,526.00	1,524.00
Behavioral Disabilities:					
Salaries of Teachers	200,926.00	(2,808.00)	198,118.00	198,117.00	1.00
Other Salaries for Instruction	124,850.00	20,445.00	145,295.00	129,754.00	15,541.00
General Supplies	30,000.00	(10,000.00)	20,000.00	18,086.45	1,913.55
Textbooks	8,550.00		8,550.00	5,690.06	2,859.94
Total Behavioral Disabilities	364,326.00	7,637.00	371,963.00	351,647.51	20,315.49
Multiple Disabilities:					
Salaries of Teachers	466,482.00	(10,790.00)	455,692.00	455,686.65	5.35
Other Salaries for Instruction	248,346.00	(91,900.00)	156,446.00	156,441.80	4.20
Travel		500.00	500.00	382.50	117.50
General Supplies	41,200.00	(14,968.15)	26,231.85	20,818.27	5,413.58
Textbooks	6,000.00		6,000.00	4,352.50	1,647.50
Total Multiple Disabilities	762,028.00	(117,158.15)	644,869.85	637,681.72	7,188.13

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Resource Room / Resource Center:					
Salaries of Teachers	\$ 1,286,799.00	\$ 1,272,284.00	\$ 2,559,083.00	\$ 2,543,750.42	\$ 15,332.58
Other Salaries for Instruction	226,777.00	486,816.00	713,593.00	686,639.30	26,953.70
Textbooks	450.00		450.00		450.00
Total Resource Room / Resource Center	1,514,026.00	1,759,100.00	3,273,126.00	3,230,389.72	42,736.28
Total Special Education - Instruction	4,104,788.00	209,220.85	4,314,008.85	4,242,244.95	71,763.90
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	74,391.00	(11,845.00)	62,546.00	62,478.00	68.00
Other Salaries for Instruction	20,261.00	(20,209.00)	52.00		52.00
General Supplies	22,900.00	(2,500.00)	20,400.00	16,410.97	3,989.03
Textbooks	9,000.00		9,000.00	8,995.27	4.73
Total Basic Skills / Remedial - Instruction	126,552.00	(34,554.00)	91,998.00	87,884.24	4,113.76
Bilingual Education - Instruction:					
Salaries of Teachers	83,424.00		83,424.00	40,500.50	42,923.50
Purchased Professional - Educational Services	8,000.00	872.28	8,872.28	715.00	8,157.28
Total Bilingual Education - Instruction	91,424.00	872.28	92,296.28	41,215.50	51,080.78
School Sponsored Cocurricular Activities - Instruction:					
Salaries	359,102.00	35,500.00	394,602.00	388,726.23	5,875.77
Purchased Services	82,665.00	(12,500.00)	70,165.00	66,833.46	3,331.54
Supplies and Materials	40,000.00	(9,000.00)	31,000.00	28,988.69	2,011.31
General Supplies	25,000.00	(19,035.00)	5,965.00	2,460.00	3,505.00
Other Objects	39,000.00	(6,945.06)	32,054.94	26,026.05	6,028.89
Total School Sponsored Cocurricular Activities - Instruction	545,767.00	(11,980.06)	533,786.94	513,034.43	20,752.51

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	\$ 1,068,029.00	\$ 2,679.00	\$ 1,070,708.00	\$ 1,017,304.10	\$ 53,403.90
Purchased Services	258,537.00	(16,045.00)	242,492.00	199,051.94	43,440.06
Supplies and Materials	194,125.00	(20,434.00)	173,691.00	160,992.47	12,698.53
Other Objects	66,250.00	(1,955.00)	64,295.00	57,176.49	7,118.51
Total School Sponsored Athletics - Instruction	1,586,941.00	(35,755.00)	1,551,186.00	1,434,525.00	116,661.00
Other Instructional Programs - Instruction:					
Salaries	221,466.00	925.00	222,391.00	222,389.40	1.60
Purchased Services	15,600.00	14,400.00	30,000.00	24,336.00	5,664.00
Supplies and Materials	1,700.00		1,700.00	886.91	813.09
Total Other Instructional Programs - Instruction	238,766.00	15,325.00	254,091.00	247,612.31	6,478.69
Total Instruction	23,970,855.00	(97,003.36)	23,873,851.64	23,447,978.65	425,872.99
Work Study Program:					
Salaries	1,200.00	200.00	1,400.00	1,300.00	100.00
Community Services Programs / Operations:					
Salaries	750.00		750.00		750.00
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	15,594.00	42,898.00	58,492.00	58,374.67	117.33
Tuition to Other LEA's Within State - Special	91,345.00	35,000.00	126,345.00	104,773.80	21,571.20
Tuition to County Voc. School District - Regular	495,700.00	(20,000.00)	475,700.00	466,000.00	9,700.00
Tuition to CSSD and Regional Day Schools	1,789,754.00	(188,000.00)	1,601,754.00	1,441,612.60	160,141.40
Tuition to Private Schools for the Disabled - Within State	2,551,271.00	(241,683.92)	2,309,587.08	2,061,987.86	247,599.22
Tuition to Private Schools for the Disabled and Other LEA's Outside State	133,437.00	(38,000.00)	95,437.00	95,175.00	262.00
Tuition - State Facilities	464,480.00	6,075.00	470,555.00	470,055.00	500.00
Tuition - Other	357,000.00	29,194.00	386,194.00	307,790.25	78,403.75
Total Undistributed Expenditures - Instruction	5,898,581.00	(374,516.92)	5,524,064.08	5,005,769.18	518,294.90

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 131,852.00	\$ -	\$ 131,852.00	\$ 124,466.22	\$ 7,385.78
Purchased Professional and Technical Services	295,968.00	(295,968.00)			
Travel	3,000.00	(1,000.00)	2,000.00	130.08	1,869.92
Supplies and Materials	1,000.00		1,000.00	89.41	910.59
Total Undistributed Expenditures - Attendance and Social Work	431,820.00	(296,968.00)	134,852.00	124,685.71	10,166.29
Undistributed Expenditures - Health Services:					
Salaries	309,593.00	2,765.00	312,358.00	309,606.65	2,751.35
Purchased Professional and Technical Services	6,000.00	700.00	6,700.00	5,010.15	1,689.85
Travel	1,200.00	(300.00)	900.00	55.00	845.00
Supplies and Materials	8,500.00	(2,660.00)	5,840.00	4,679.85	1,160.15
Other Objects	1,620.00		1,620.00	937.90	682.10
Total Undistributed Expenditures - Health Services	326,913.00	505.00	327,418.00	320,289.55	7,128.45
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Purchased Professional - Educational Services	284,000.00	17,502.38	301,502.38	246,894.73	54,607.65
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	231,898.00	25,520.00	257,418.00	233,342.62	24,075.38
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	1,490,948.00		1,490,948.00	1,474,776.65	16,171.35
Salaries of Secretarial and Clerical Assistants	272,296.00		272,296.00	263,621.15	8,674.85
Other Salaries	55,791.00		55,791.00	53,197.00	2,594.00
Purchased Professional and Technical Services	73,500.00	(13,000.00)	60,500.00	49,148.34	11,351.66
Travel	1,000.00		1,000.00		1,000.00
Supplies and Materials	35,700.00	(2,000.00)	33,700.00	22,566.92	11,133.08
Total Undistributed Expenditures - Other Support Services - Students - Regular	1,929,235.00	(15,000.00)	1,914,235.00	1,863,310.06	50,924.94

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	\$ 788,815.00	\$ (1,000.00)	\$ 787,815.00	\$ 755,486.53	\$ 32,328.47
Salaries of Secretarial and Clerical Assistants	163,196.00	1,000.00	164,196.00	163,969.00	227.00
Purchased Professional - Educational Services	45,000.00		45,000.00	8,679.39	36,320.61
Other Purchased Services	27,880.00		27,880.00	8,014.86	19,865.14
Supplies and Materials	12,791.00		12,791.00	2,813.01	9,977.99
Total Undistributed Expenditures - Other Support Services - Students - Special:	1,037,682.00		1,037,682.00	938,962.79	98,719.21
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,237,060.00	(6,109.00)	1,230,951.00	1,230,950.00	1.00
Salaries of Secretarial and Clerical Assistants	60,419.00	(3,396.00)	57,023.00	49,766.22	7,256.78
Travel	39,000.00		39,000.00	29,101.33	9,898.67
Supplies and Materials	5,500.00	155.33	5,655.33	3,484.12	2,171.21
Other Objects	1,750.00	9,000.00	10,750.00	10,075.00	675.00
Total Undistributed Expenditures - Improvement of Instruction Services	1,343,729.00	(349.67)	1,343,379.33	1,323,376.67	20,002.66
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	880,480.00		880,480.00	863,944.16	16,535.84
Purchased Professional and Technical Services	221,200.00	768.10	221,968.10	186,550.86	35,417.24
Other Purchased Services	135,800.00	(7,000.00)	128,800.00	121,769.34	7,030.66
Travel	2,500.00		2,500.00	349.00	2,151.00
Supplies and Materials	108,514.00		108,514.00	106,179.71	2,334.29
Total Undistributed Expenditures - Educational Media Services / School Library	1,348,494.00	(6,231.90)	1,342,262.10	1,278,793.07	63,469.03
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	25,000.00		25,000.00	1,871.90	23,128.10
Purchased Professional - Educational Services	9,000.00		9,000.00	6,540.32	2,459.68
Supplies and Materials	2,000.00		2,000.00		2,000.00
Total Undistributed Expenditures - Instructional Staff Training Services:	36,000.00		36,000.00	8,412.22	27,587.78

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 260,685.00	\$ 8,091.00	\$ 268,776.00	\$ 266,806.27	\$ 1,969.73
Legal Services	110,000.00	16,000.00	126,000.00	110,150.16	15,849.84
Audit Fees	81,000.00	15,935.60	96,935.60	86,935.60	10,000.00
Other Purchased Professional Services	133,834.00	31,135.40	164,969.40	100,941.38	64,028.02
Purchased Technical Services	49,395.00	10,000.00	59,395.00	29,485.17	29,909.83
Communications / Telephone	195,700.00	15,448.06	211,148.06	178,943.07	32,204.99
Travel	12,000.00	(2,000.00)	10,000.00	1,610.31	8,389.69
BOE Travel	6,000.00	(3,000.00)	3,000.00	1,170.37	1,829.63
BOE Other Purchased Services	129,619.00	(1,000.00)	128,619.00	125,337.36	3,281.64
Supplies and Materials	11,750.00	-	11,750.00	4,466.58	7,283.42
Judgments Against School District		19,900.00	19,900.00	19,900.00	-
Miscellaneous Expenditures	27,625.00	(3,000.00)	24,625.00	11,192.40	13,432.60
BOE Membership Dues and Fees	32,500.00		32,500.00	30,062.52	2,437.48
Total Undistributed Expenditures - Support Services - General Administration	1,050,108.00	107,510.06	1,157,618.06	967,001.19	190,616.87
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	1,574,927.00	5,825.00	1,580,752.00	1,569,232.75	11,519.25
Salaries of Secretarial and Clerical Assistants	899,481.00	45,189.00	944,670.00	928,921.76	15,748.24
Other Purchased Services	12,900.00	59,600.00	72,500.00	72,500.00	72,500.00
Purchased Professional and Technical Services		40,000.00	40,000.00	40,000.00	40,000.00
Travel	20,000.00		20,000.00	2,896.17	17,103.83
Supplies and Materials	45,000.00	400.00	45,400.00	33,625.23	11,774.77
Other Objects	39,000.00	2,021.10	41,021.10	25,534.97	15,486.13
Total Undistributed Expenditures - Support Services - School Administration	2,591,308.00	153,035.10	2,744,343.10	2,560,210.88	184,132.22

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - Central Services:					
Salaries	\$ 551,002.00	\$ 30,000.00	\$ 581,002.00	\$ 577,898.61	\$ 3,103.39
Purchased Technical Services	74,500.00		74,500.00	37,119.12	37,380.88
Purchased Services	6,700.00	20,000.00	26,700.00	1,685.85	25,014.15
Supplies and Materials	18,720.00	14.82	18,734.82	5,167.78	13,567.04
Interest on Lease Purchase Agreements	138,625.00	20,000.00	158,625.00	138,624.02	20,000.98
Miscellaneous Expenditures	6,880.00		6,880.00	3,882.00	2,998.00
Total Undistributed Expenditures - Support Services - Central Services	796,427.00	70,014.82	866,441.82	764,377.38	102,064.44
Undistributed Expenditures - Support Services - Administrative Information Technology:					
Salaries	245,855.00	10,000.00	255,855.00	236,842.56	19,012.44
Purchased Technical Services	-	30,000.00	30,000.00	-	30,000.00
Travel	2,000.00		2,000.00	349.00	1,651.00
Supplies and Materials	2,500.00		2,500.00	2,478.00	22.00
Other Objects	36,000.00	2,364.90	38,364.90	8,274.46	30,090.44
Total Undistributed Expenditures - Support Services - Administrative Information Technology	286,355.00	42,364.90	328,719.90	247,944.02	80,775.88
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	985,858.00	16,370.00	1,002,228.00	999,536.19	2,691.81
Cleaning, Repair and Maintenance Services	161,991.00	(17,145.25)	144,845.75	118,921.82	25,923.93
General Supplies	200,925.00	13,789.59	214,714.59	128,721.43	85,993.16
Total Undistributed Expenditures - Required Maintenance for School Facilities	1,348,774.00	13,014.34	1,361,788.34	1,247,179.44	114,608.90

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	\$ 1,867,076.00	\$ 8,630.00	\$ 1,875,706.00	\$ 1,807,497.29	\$ 68,208.71
Purchased Professional and Technical Services	132,200.00	9,579.00	141,779.00	96,091.65	45,687.35
Cleaning, Repair and Maintenance Services	152,360.00	23,436.71	175,796.71	139,669.20	36,127.51
Rental of Land and Building Other than Lease Purchase	9,056.00		9,056.00	4,048.87	5,007.13
Other Purchased Property Services	267,801.00	(58,550.00)	209,251.00	183,076.64	26,174.36
Insurance	213,938.00	(40,000.00)	173,938.00	151,171.00	22,767.00
Miscellaneous Purchased Services	5,550.00		5,550.00	1,190.00	4,360.00
General Supplies	227,480.00	(26,242.52)	201,237.48	158,107.97	43,129.51
Energy (Heat and Electricity)	1,662,654.00	22,818.06	1,685,472.06	1,370,404.17	315,067.89
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	4,538,115.00	(60,328.75)	4,477,786.25	3,911,256.79	566,529.46
Undistributed Expenditures - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	32,350.00		32,350.00	20,311.78	12,038.22
General Supplies	94,285.00		94,285.00	67,752.97	26,532.03
Total Undistributed Expenditures - Care & Upkeep of Grounds	126,635.00		126,635.00	88,064.75	38,570.25
Undistributed Expenditures - Security					
Salaries		15,000.00	15,000.00	11,900.00	3,100.00
Purchased Professional and Technical Services	13,280.00	296,968.00	310,248.00	291,562.07	18,685.93
Cleaning, Repair and Maintenance Services	20,050.00	(3,950.00)	16,100.00	9,987.53	6,112.47
General Supplies	900.00	13,000.00	13,900.00	5,965.96	7,934.04
Total Undistributed Expenditures - Security	34,230.00	321,018.00	355,248.00	319,415.56	35,832.44

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non-Instructional Aides	\$ 21,000.00	\$ 1,775.00	\$ 22,775.00	\$ 19,723.81	\$ 3,051.19
Salaries for Pupil Transportation (Bet. Home & Sch) - Spec. Ed.	50,000.00	(1,775.00)	48,225.00	38,613.82	9,611.18
Lease Purchase Payments - School Buses	34,000.00	17,975.00	51,975.00	51,973.26	1.74
Contracted Services (Between Home & School) - Vendors	303,279.00	(82,775.00)	220,504.00	210,576.15	9,927.85
Contracted Services - (Other than Between Home and School) - Vendors	260,790.00	126,369.03	387,159.03	305,784.16	81,374.87
Contracted Services (Bet.Home & School)-Joint Agreements	1,137,662.00	(63,199.00)	1,074,463.00	1,069,140.00	5,323.00
Contracted Services (Special Education Students) - Vendors	69,042.00	(51,750.00)	17,292.00	3,150.00	14,142.00
Contracted Services (Special Education Students) - Jt. Agrmnts	1,432,652.00	(47,401.00)	1,385,251.00	1,365,487.30	19,763.70
Contracted Services (Reg. Students) ESC's & CTSA's					
Courtesy Transportation	599,500.00	(43,100.00)	556,400.00	550,000.00	6,400.00
Misc Purchased Services - Transportation		6,000.00	6,000.00	3,476.78	2,523.22
Other Objects		250.00	250.00	125.00	125.00
Contracted Services - Aid in Lieu of Payments	221,784.00	(53,500.00)	168,284.00	167,073.72	1,210.28
Total Undistributed Expenditures - Student Transportation Services	4,129,709.00	(191,130.97)	3,938,578.03	3,785,124.00	153,454.03
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	875,000.00	(187,700.00)	687,300.00	687,202.87	97.13
Other Retirement Contributions - Regular	610,000.00	(6,500.00)	603,500.00	603,407.00	93.00
Workers Compensation	444,767.00	(96,000.00)	348,767.00	348,630.93	136.07
Health Benefits	7,478,263.00	(67,100.00)	7,411,163.00	7,410,871.35	291.65
Tuition Reimbursement	149,225.00	(85,200.00)	64,025.00	63,541.97	483.03
Other Employee Benefits	168,120.00	852,500.00	1,020,620.00	436,577.98	584,042.02
Total Unallocated Benefits	9,725,375.00	410,000.00	10,135,375.00	9,550,232.10	585,142.90

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
General Fund

For the Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES (CONT'D):					
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				\$ 1,452,032.00	\$ (1,452,032.00)
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				77,312.00	(77,312.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,843,144.90	(1,843,144.90)
Total On-behalf Contributions				3,372,488.90	(3,372,488.90)
Total Undistributed Expenditures	37,495,388.00	215,958.39	37,711,346.39	38,157,131.61	(445,785.22)
Total Current Expense	61,468,193.00	119,155.03	61,587,348.03	61,606,410.26	(19,062.23)
Capital Outlay:					
Equipment:					
Grades 9-12	24,953.00	27,708.00	52,661.00	52,387.76	273.24
Admin Info Tech.	16,000.00	8,953.92	24,953.92	24,453.92	500.00
Total Equipment	40,953.00	36,661.92	77,614.92	76,841.68	773.24
Facilities Acquisition and Construction Services:					
Construction Services	1,487,250.00	(460,455.00)	1,026,795.00	658,219.24	368,575.76
Total Facilities Acquisition and Construction Services	1,487,250.00	(460,455.00)	1,026,795.00	658,219.24	368,575.76
Total Capital Outlay	1,528,203.00	(423,793.08)	1,104,409.92	735,060.92	369,349.00

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	\$ 33,000.00	\$ -	\$ 33,000.00	\$ 21,751.53	\$ 11,248.47
Total Summer School - Instruction	33,000.00		33,000.00	21,751.53	11,248.47
Special Education - Behavioral Disabilities					
Salaries of Teachers	181,325.00	-	181,325.00	103,682.05	77,642.95
Other Salaries for Instruction	44,892.00		44,892.00	20,364.33	24,527.67
Supplies and Materials	9,500.00	423.09	9,923.09	1,852.92	8,070.17
Textbooks	1,000.00		1,000.00	260.74	739.26
Total Special Education - Behavioral Disabilities	236,717.00	423.09	237,140.09	126,160.04	110,980.05
Total Special Schools	269,717.00	423.09	270,140.09	147,911.57	122,228.52
Total Expenditures	63,266,113.00	(304,214.96)	62,961,898.04	62,489,382.75	472,515.29
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,936,209.00)	304,214.96	(1,631,994.04)	1,966,978.00	3,598,972.04
Other Financing Sources (Uses):					
Operating Transfers:					
Transfer to Food Service Fund - Board Contribution	(225,000.00)	(68,500.00)	(293,500.00)	(293,424.87)	75.13
Transfer to Capital Projects Fund - Capital Reserve Contribution				(781,532.00)	(781,532.00)
Transfer to Capital Projects Fund - Capital Outlay Contribution		(509,755.00)	(509,755.00)	(509,755.00)	
Transfer In -- Capital Projects Interest				6,610.89	6,610.89
Audit Recovery Deduction				(44,635.00)	(44,635.00)
Total Other Financing Sources (Uses)	(225,000.00)	(578,255.00)	(803,255.00)	(1,622,735.98)	(819,480.98)

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (2,161,209.00)	\$ (274,040.04)	\$ (2,435,249.04)	\$ 344,242.02	\$ 2,779,491.06
Fund Balances, July 1	5,199,542.49		5,199,542.49	5,199,542.49	
Fund Balances, June 30	\$ 3,038,333.49	\$ (274,040.04)	\$ 2,764,293.45	\$ 5,543,784.51	\$ 2,779,491.06
Recapitulation:					
Capital Reserve				\$ 426,067.56	
Reserve for Encumbrances				875,743.73	
Reserve for Excess Surplus				497,215.11	
Excess Surplus - Designated for Subsequent Year's Expenditures				153,924.49	
Unreserved - Designated for Subsequent Year's Expenditures				2,153,357.51	
Undesignated Fund Balance				1,437,476.11	
Reconciliation to Governmental Funds Statements (GAAP):				5,543,784.51	
Last State Aid Payment not Recognized on GAAP Basis				(3,154,373.00)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,389,411.51	

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule - ARRA ESF
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Federal Sources:					
Equalization Aid - ARRA ESF	\$ -	\$ 5,140,879.00	\$ 5,140,879.00	\$ 5,140,879.00	
Total - Federal Sources	-	5,140,879.00	5,140,879.00	5,140,879.00	-
Total Revenues	-	5,140,879.00	5,140,879.00	5,140,879.00	-
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12		5,140,879.00	5,140,879.00	5,140,879.00	
Total Regular Programs - Instruction		5,140,879.00	5,140,879.00	5,140,879.00	
Total Current Expense		5,140,879.00	5,140,879.00	5,140,879.00	
Total Expenditures		5,140,879.00	5,140,879.00	5,140,879.00	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					
Fund Balances, July 1					
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule - ARRA GSF
 General Fund
 For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Federal Sources:					
Equalization Aid - ARRA GSF	\$ -	\$ 199,011.00	\$ 199,011.00	\$ 199,011.00	
Total - Federal Sources	-	199,011.00	199,011.00	199,011.00	-
Total Revenues	-	199,011.00	199,011.00	199,011.00	-
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12		199,011.00	199,011.00	199,011.00	
Total Regular Programs - Instruction		199,011.00	199,011.00	199,011.00	
Total Current Expense		199,011.00	199,011.00	199,011.00	
Total Expenditures		199,011.00	199,011.00	199,011.00	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					
Fund Balances, July 1					
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund

For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 19,007.00		\$ 19,007.00	\$ 19,007.00	
Total - Local Sources	19,007.00	-	19,007.00	19,007.00	-
Federal Sources:					
No Child Left Behind					
Title I	423,167.00	\$ 100,393.66	523,560.66	494,183.54	\$ (29,377.12)
Title I - ARRA	241,399.00		241,399.00	70,239.04	(171,159.96)
Title I - SIA	6,667.00		6,667.00	6,673.00	6.00
Title II - Part A	73,973.00		73,973.00	73,973.00	
Title II - Part D	3,732.00		3,732.00	3,732.00	
Title III		2,949.13	2,949.13	2,949.13	
Title IV	5,005.00		5,005.00	5,005.00	
I.D.E.I.A., Part B	868,900.00	65,030.30	933,930.30	846,287.20	(87,643.10)
I.D.E.I.A., Part B - ARRA	981,856.00	(59,729.90)	922,126.10	328,321.22	(593,804.88)
Carl D. Perkins Vocational and Technical Education Act	97,096.00		97,096.00	97,095.69	(0.31)
Total - Federal Sources	2,701,795.00	108,643.19	2,810,438.19	1,928,458.82	(881,979.37)
Total Revenues	2,720,802.00	108,643.19	2,829,445.19	1,947,465.82	(881,979.37)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	167,460.00	57,155.59	224,615.59	113,209.45	111,406.14
Purchased Professional and Technical Services	20,343.00	(7,352.68)	12,990.32	10,715.00	2,275.32
Other Purchased Services (400-500 series)	910,000.00	28,914.98	938,914.98	599,387.20	339,527.78
General Supplies	139,484.00	32,437.48	171,921.48	171,579.07	342.41
Other Objects	24,750.00	(5,095.48)	19,654.52	15,647.78	4,006.74
Total Instruction	1,262,037.00	106,059.89	1,368,096.89	910,538.50	457,558.39

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund

For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Support Services:					
Other Salaries	\$ 324,814.00	\$ 57,444.38	\$ 382,258.38	\$ 216,677.98	\$ 165,580.40
Personal Services - Employee Benefits	111,594.00	36,246.23	147,840.23	57,167.77	90,672.46
Purchased Professional - Educational/Tech Services	511,492.00	(11,033.53)	500,458.47	434,299.02	66,159.45
Other Purchased Services (400-500 series)	25,075.00	1,366.50	26,441.50	24,124.00	2,317.50
Supplies and Materials	391,465.00	(64,277.39)	327,187.61	230,097.29	97,090.32
Total Support Services	1,364,440.00	19,746.19	1,384,186.19	962,366.06	421,820.13
Facilities Acquisition and Construction Services:					
Instructional Equipment	94,325.00	(17,162.89)	77,162.11	74,561.26	2,600.85
Total Facilities Acquisition and Construction Services	94,325.00	(17,162.89)	77,162.11	74,561.26	2,600.85
Total Expenditures	2,720,802.00	108,643.19	2,829,445.19	1,947,465.82	881,979.37
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, 2010

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 64,456,360.75	\$ 1,947,465.82
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(39,956.65)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	2,929,023.00	
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>(3,154,373.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 64,231,010.75</u>	<u>\$ 1,907,509.17</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 62,489,382.75	\$ 1,947,465.82
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.		(39,956.65)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 62,489,382.75</u>	<u>\$ 1,907,509.17</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, 2010

	No Child Left Behind					Total Brought Forward
	Total	Title I	ARRA Title I	Title I S/A	Title II Part A	
REVENUES:						
Federal Sources	\$ 1,928,458.82	\$ 494,183.54	\$ 70,239.04	\$ 6,673.00	\$ 73,973.00	\$ 3,732.00
Local Sources	19,007.00					
Total Revenues	\$ 1,947,465.82	\$ 494,183.54	\$ 70,239.04	\$ 6,673.00	\$ 73,973.00	\$ 3,732.00
EXPENDITURES:						
Instruction:						
Salaries of Teachers	\$ 113,209.45	\$ 63,078.18	\$ 3,572.14	\$ 6,240.00	\$ 2,995.98	\$ 37,323.15
Purchased Professional and Technical Services	10,715.00	5,000.00				5,715.00
Other Purchased Services (400-500 series)	599,387.20					599,387.20
General Supplies	171,579.07	134,884.79	12,403.90	6.00		21,482.69
Other Objects	15,647.78	7,654.52				7,993.26
Total Instruction	910,538.50	210,617.49	15,976.04	6,246.00	2,995.98	671,901.30
Support Services:						
Other Salaries	216,677.98	72,758.50				99,041.60
Personal Services - Employee Benefits	57,167.77	39,857.52		427.00	44,013.68	864.20
Purchased Professional Educ/Technical Services	434,299.02	118,845.33	54,263.00		7,870.00	66.11
Other Purchased Services (400-500 series)	24,124.00	24,124.00				261,190.69
Supplies and Materials	230,097.29	27,980.70			19,093.34	-
Other Objects	-					183,023.25
Total Support Services	962,366.06	283,566.05	54,263.00	427.00	70,977.02	930.31
Facilities Acquisition and Construction Services:						
Instructional Equipment	74,561.26					74,561.26
Total Facilities Acquisition and Construction Services	74,561.26					74,561.26
Total Expenditures	\$ 1,947,465.82	\$ 494,183.54	\$ 70,239.04	\$ 6,673.00	\$ 73,973.00	\$ 3,732.00

(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, 2010

	No Child Left Behind		C.D. Perkins Vocational & Applied Technology	IDEA Part B Basic	ARRA IDEA Part B Basic	Local Public Safety Award
	Total Carried Forward	Title III				
REVENUES:						
Federal Sources	\$ 1,279,658.24	\$ 2,949.13	\$ 97,095.69	\$ 846,287.20	\$ 328,321.22	\$ 19,007.00
Local Sources	19,007.00					
Total Revenues	\$ 1,298,665.24	\$ 2,949.13	\$ 97,095.69	\$ 846,287.20	\$ 328,321.22	\$ 19,007.00
EXPENDITURES:						
Instruction:						
Salaries of Teachers	\$ 37,323.15	\$ 2,023.15		\$ 35,300.00		\$ -
Purchased Professional and Technical Services	5,715.00		\$ 5,715.00			
Other Purchased Services (400-500 series)	599,387.20			599,387.20		
General Supplies	21,482.69	\$ 1,201.00	20,281.69			
Other Objects	7,993.26				\$ 7,993.26	
Total Instruction	671,901.30	2,023.15	25,996.69	634,687.20	7,993.26	-
Support Services:						
Other Salaries	99,041.60		24,500.00		74,541.60	
Personal Services - Employee Benefits	8,947.14	925.98	1,874.00	2,700.00	3,447.16	\$ 6,285.00
Purchased Professional Educational/Technical Services	261,190.69			194,000.00	57,101.69	
Other Purchased Services (400-500 series)	-					
Supplies and Materials	183,023.25			14,900.00	155,401.25	12,722.00
Other Objects	-					
Total Support Services	552,202.68	925.98	26,374.00	211,600.00	290,491.70	19,007.00
Facilities Acquisition and Construction Services:						
Instructional Equipment	74,561.26		44,725.00		29,836.26	
Total Facilities Acquisition and Construction Services	74,561.26		44,725.00		29,836.26	
Total Expenditures	\$ 1,298,665.24	\$ 2,949.13	\$ 97,095.69	\$ 846,287.20	\$ 328,321.22	\$ 19,007.00

CAPITAL PROJECTS FUND

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 Summary Statement of Project Expenditures
 For the Fiscal Year Ended June 30, 2010

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2010</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Replacement of Triton HS Auditorium HVAC, Ceiling and Lighting Project No. 0390-050-09-2001	06/10/2009	\$ 660,000.00	\$ 26,000.00	\$ 456,702.28	\$ 177,297.72
Reconstruction of Highland HS Tennis Courts, Replacement of Triton HS Cafeteria HVAC and Replacement of Highland HS Auditorium HVAC	07/01/2008	1,286,114.00	744,147.86	541,966.14	
Replacement of Highland HS Cafeteria HVAC, Ceiling and Lighting	06/04/2010	370,000.00		190.00	369,810.00
Triton High School Tennis Courts, Site Drainage and Other Site Work	03/23/2010	633,950.00		2,000.00	631,950.00
Highland High School Fire Alarm Replacement	06/04/2010	1,278,000.00			1,278,000.00
Total		\$ 4,228,064.00	\$ 770,147.86	\$ 1,000,858.42	\$ 2,457,057.72
Reserve for Encumbrances Designated for Subsequent Years Expenditures					\$ 1,649,479.57
					<u>807,578.15</u>
					<u>\$ 2,457,057.72</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Statement of Revenues, Expenditures, and Changes in Fund Balance -- Budgetary Basis
 For the Fiscal Year Ended June 30, 2010

Revenues and Other Financing Sources

State Sources--SCC Grant	\$ 990,663.00	
Bond Proceeds and Transfers		
Proceeds from Lease Purchase		
Other Local Sources	6,610.89	
Transfer from Capital Reserve	781,532.00	
Transfer from Capital Outlay	<u>509,755.00</u>	
 Total Revenues		 \$ 2,288,560.89

Expenditures and Other Financing Uses

Expenditures:		
Legal Services		
Other Purchased Professional and Technical Services	\$ 34,134.62	
Construction Services	<u>966,723.80</u>	
 Total Expenditures		 <u>1,000,858.42</u>
 Excess (Deficiency) Revenue over Expenditures		 1,287,702.47
 Other Financing Sources and (Uses):		
Transferred to General Fund		<u>(6,610.89)</u>
 Total Other Financing Sources and (Uses)		 <u>(6,610.89)</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures		 1,281,091.58
 Fund Balance -- July 1		 <u>1,175,966.14</u>
 Fund Balance -- June 30		 <u><u>\$ 2,457,057.72</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Replacement of Triton HS Auditorium HVAC, Ceiling and Lighting
 From Inception and for the Fiscal Year Ended June 30, 2010

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--EDA Grant	\$ 396,746.00		\$ 396,746.00	\$ 396,746.00
Bond Proceeds and Transfers				
Proceeds from Lease Purchase				
Other Local Sources				
Transfer from Capital Reserve	263,254.00		263,254.00	263,254.00
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	660,000.00	-	660,000.00	660,000.00
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services	26,000.00	\$ 25,393.95	51,393.95	60,000.00
Construction Services		431,308.33	431,308.33	600,000.00
Transfer to Debt Service Fund				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	26,000.00	456,702.28	482,702.28	660,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 634,000.00</u>	<u>\$ (456,702.28)</u>	<u>\$ 177,297.72</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	0390-050-09-2001			
Grant Date	06/10/2009			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 660,000.00			
Additional Authorized Cost				
Revised Authorized Cost	660,000.00			
Percentage Increase over Original Authorized Cost				
Percentage Completion	95.00%			
Original Target Completion Date	6/30/2009			
Revised Target Completion Date	12/31/2010			

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Reconstruction of Highland HS Tennis Courts, Replacement of Triton HS Cafeteria HVAC
 and Replacement of Highland HS Auditorium HVAC
 From Inception and for the Fiscal Year Ended June 30, 2010

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--EDA Grant				
Bond Proceeds and Transfers				
Proceeds from Lease Purchase				
Other Local Sources				
Transfer from Capital Reserve	\$ 1,286,114.00		\$ 1,286,114.00	\$ 1,286,114.00
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	1,286,114.00	-	1,286,114.00	1,286,114.00
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services		\$ 6,550.67	6,550.67	6,550.67
Construction Services	744,147.86	535,415.47	1,279,563.33	1,279,563.33
Transfer to Debt Service Fund				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	744,147.86	541,966.14	1,286,114.00	1,286,114.00
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 541,966.14</u>	<u>\$ (541,966.14)</u>	<u>\$ -</u>	<u>\$ -</u>
 Additional Project Information:				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 1,286,114.00			
Additional Authorized Cost				
Revised Authorized Cost	1,286,114.00			
 Percentage Increase over Original Authorized Cost				
Percentage Completion		100.00%		
Original Target Completion Date		6/30/2009		
Revised Target Completion Date		11/30/2009		

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Replacement of Highland HS Cafeteria HVAC, Ceiling and Lighting
 From Inception and for the Fiscal Year Ended June 30, 2010

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--EDA Grant		\$ 222,418.00	\$ 222,418.00	\$ 222,418.00
Bond Proceeds and Transfers				
Proceeds from Lease Purchase				
Other Local Sources				
Transfer from Capital Reserve		147,582.00	147,582.00	147,582.00
Transfer from Capital Outlay				
Total Revenues	-	370,000.00	370,000.00	370,000.00
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services		190.00	190.00	18,500.00
Construction Services				351,500.00
Transfer to Debt Service Fund				
Total Expenditures	-	190.00	190.00	370,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 369,810.00	\$ 369,810.00	\$ -

Additional Project Information:

Project Number	0390-020-09-2002
Grant Date	06/04/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 370,000.00
Additional Authorized Cost	
Revised Authorized Cost	370,000.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	0.05%
Original Target Completion Date	9/30/2010
Revised Target Completion Date	11/30/2010

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Triton High School Tennis Courts, Site Drainage and Other Site Work
 From Inception and for the Fiscal Year Ended June 30, 2010

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--EDA Grant				
Bond Proceeds and Transfers				
Proceeds from Lease Purchase				
Other Local Sources				
Transfer from Capital Reserve		\$ 633,950.00	\$ 633,950.00	\$ 633,950.00
Transfer from Capital Outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	633,950.00	633,950.00	633,950.00
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services		2,000.00	2,000.00	31,697.50
Construction Services				602,252.50
Transfer to Debt Service Fund				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	2,000.00	2,000.00	633,950.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 631,950.00</u>	<u>\$ 631,950.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0390-050-10-1000
Grant Date	3/23/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 541,650.00
Additional Authorized Cost	92,300.00
Revised Authorized Cost	633,950.00
Percentage Increase over Original Authorized Cost	17.04%
Percentage Completion	0.32%
Original Target Completion Date	9/30/2010
Revised Target Completion Date	11/30/2010

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Highland High School Fire Alarm Replacement
 From Inception and for the Fiscal Year Ended June 30, 2010

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--EDA Grant		\$ 768,245.00	\$ 768,245.00	\$ 768,245.00
Bond Proceeds and Transfers				
Proceeds from Lease Purchase				
Other Local Sources				
Transfer from Capital Reserve				
Transfer from Capital Outlay		509,755.00	509,755.00	509,755.00
	<u>-</u>	<u>1,278,000.00</u>	<u>1,278,000.00</u>	<u>1,278,000.00</u>
Total Revenues				
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services				63,900.00
Construction Services				1,214,100.00
Transfer to Debt Service Fund				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,278,000.00</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,278,000.00</u>	<u>\$ 1,278,000.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0390-020-09-2003
Grant Date	6/4/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,278,000.00
Additional Authorized Cost	
Revised Authorized Cost	1,278,000.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	
Original Target Completion Date	9/30/2010
Revised Target Completion Date	11/30/2010

PROPRIETARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Net Assets
 June 30, 2010

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 988,191.93
Accounts Receivable:	
State	1,893.90
Federal	36,322.75
Inventories	35,417.33
	1,061,825.91
Total Current Assets	1,061,825.91
Noncurrent Assets:	
Furniture, Machinery and Equipment	595,332.74
Less Accumulated Depreciation	(595,332.74)
	-
Total Noncurrent Assets	-
Total Assets	1,061,825.91
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	897,094.96
Accounts Payable	155.74
	897,250.70
Total Current Liabilities	897,250.70
Noncurrent Liabilities:	
Compensated Absences Payable	60,460.62
	60,460.62
Total Liabilities	957,711.32
NET ASSETS:	
Unrestricted	104,114.59
Total Net Assets	\$ 104,114.59

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, 2010

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 419,290.20
Daily Sales - Non-Reimbursable Programs	539,729.80
Special Functions	58,438.19
Total Operating Revenues	1,017,458.19
OPERATING EXPENSES:	
Salaries	838,188.60
Employee Benefits	368,111.39
General Supplies	61,275.82
Miscellaneous	9,720.00
Management Fee	58,030.51
Cost of Sales	490,917.71
Total Operating Expenses	1,826,244.03
Operating Income / (Loss)	(808,785.84)
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	17,702.88
State School Breakfast Program	4,818.30
Federal Sources:	
National School Lunch Program	361,829.57
National School Breakfast Program	66,076.72
Food Distribution Program	72,565.00
Interest and Investment Revenue	7,176.14
Total Nonoperating Revenues	530,168.61
Income (Loss) before Contributions and Transfers	(278,617.23)
Operating Transfers In (Out) - General Fund	293,424.87
Change in Net Assets (Loss)	14,807.64
Net Assets -- July 1	89,306.95
Net Assets -- June 30	\$ 104,114.59

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2010

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 1,046,460.79
Payments to Employees	(548,000.37)
Payments for Employee Benefits	(357,565.04)
Payments to Vendors	<u>(721,582.47)</u>
Net Cash Provided by (used for) Operating Activities	<u>(580,687.09)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	22,428.28
Federal Sources	423,757.02
Operating Subsidies and Transfers to Other Funds	<u>293,424.87</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>739,610.17</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>7,176.14</u>
Net Cash Provided by (used for) Investing Activities	<u>7,176.14</u>
Net Increase (Decrease) in Cash and Cash Equivalents	166,099.22
Cash and Cash Equivalents -- July 1	<u>822,092.71</u>
Cash and Equivalents -- June 30	<u><u>\$ 988,191.93</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (808,785.84)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	
Food Distribution Program	72,565.00
(Increase) Decrease in Other Accounts Receivable	29,002.60
(Increase) Decrease in Inventories	(10,769.88)
Increase (Decrease) in Accounts Payable	126,754.68
Increase (Decrease) in Other Liabilities	<u>10,546.35</u>
Total Adjustments	<u>228,098.75</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (580,687.09)</u></u>

FIDUCIARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2010

	<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	\$ 17,661.90	\$ 608,129.73	\$ 37,620.52	\$ 663,412.15
Interfund Accounts Receivable:				
Due from General Fund	1,883.84			1,883.84
Due from Payroll	15,657.23			15,657.23
Total Assets	<u>35,202.97</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>	<u>\$ 680,953.22</u>
LIABILITIES:				
Interfund Payable - Unemployment Trust Fund			\$ 15,657.23	15,657.23
Accounts Payable	12,144.74			12,144.74
Payable to Student Groups		\$ 608,129.73		608,129.73
Payroll Deductions and Withholdings			21,963.29	21,963.29
Total Liabilities	<u>12,144.74</u>	<u>\$ 608,129.73</u>	<u>\$ 37,620.52</u>	<u>657,894.99</u>
NET ASSETS:				
Held in Trust for Unemployment Claims	<u>23,058.23</u>			<u>23,058.23</u>
Total Net Assets	<u>\$ 23,058.23</u>			<u>\$ 23,058.23</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2010

	Unemployment Compensation <u>Trust</u>	<u>Total</u>
ADDITIONS:		
Board Contributions	\$ 55,500.00	55,500.00
Payroll Deductions	<u>50,034.02</u>	<u>50,034.02</u>
Total Contributions	<u>105,534.02</u>	<u>105,534.02</u>
Investment Earnings:		
Interest	<u>138.15</u>	<u>138.15</u>
Net Investment Earnings	<u>138.15</u>	<u>138.15</u>
Total Additions	<u>105,672.17</u>	<u>105,672.17</u>
DEDUCTIONS:		
Unemployment Claims	<u>97,423.91</u>	<u>97,423.91</u>
Total Deductions	<u>97,423.91</u>	<u>97,423.91</u>
Change in Net Assets	8,248.26	8,248.26
Net Assets -- July 1	<u>14,809.97</u>	<u>14,809.97</u>
Net Assets -- June 30	<u><u>\$ 23,058.23</u></u>	<u><u>\$ 23,058.23</u></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, 2010

	Balance <u>June 30, 2009</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance <u>June 30, 2010</u>
SENIOR HIGH SCHOOLS:				
Highland	\$ 133,691.57	\$ 359,233.85	\$ 351,537.56	\$ 141,387.86
Timber Creek	192,889.67	410,087.23	367,482.70	235,494.20
Triton	<u>270,372.96</u>	<u>419,143.86</u>	<u>458,269.15</u>	<u>231,247.67</u>
Total Senior High Schools	<u>596,954.20</u>	<u>1,188,464.94</u>	<u>1,177,289.41</u>	<u>608,129.73</u>
Total All Schools	<u><u>\$ 596,954.20</u></u>	<u><u>\$ 1,188,464.94</u></u>	<u><u>\$ 1,177,289.41</u></u>	<u><u>\$ 608,129.73</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, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
ASSETS:				
Cash and Cash Equivalents	\$ 35,435.17	\$ 37,383,332.86	\$ 37,381,147.51	\$ 37,620.52
Total Assets	<u>\$ 35,435.17</u>	<u>\$ 37,383,332.86</u>	<u>\$ 37,381,147.51</u>	<u>\$ 37,620.52</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 19,739.63	\$ 16,183,534.95	\$ 16,181,311.29	\$ 21,963.29
Net Payroll		21,149,763.89	21,149,763.89	
Interfund Accounts Payable:				
Due Unemployment Fund	<u>15,695.54</u>	<u>50,034.02</u>	<u>50,072.33</u>	<u>15,657.23</u>
Total Liabilities	<u>\$ 35,435.17</u>	<u>\$ 37,383,332.86</u>	<u>\$ 37,381,147.51</u>	<u>\$ 37,620.52</u>

LONG-TERM DEBT

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Statement of Serial Bonds
 For the Fiscal Year Ended June 30, 2010

	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2009	Retired	Balance June 30, 2010
			Date	Amount				
Refunding Bonds, Series 2004	08/12/04	\$ 31,510,000.00	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%	\$ 30,380,000.00	\$ 2,625,000.00	\$ 27,755,000.00
						\$ 30,380,000.00	\$ 2,625,000.00	\$ 27,755,000.00
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
							\$ 32,327,000.00	\$ 2,625,000.00

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2010

<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, 2010</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2010</u>
Textbook Lease	July 8, 2004	July 8, 2004 to July 1, 2009	5.53%	\$ 1,150,000.00	\$ 187,616.18	\$ 134,894.20	\$ 134,894.20	\$ -
						<u>\$ 134,894.20</u>	<u>\$ 134,894.20</u>	<u>\$ -</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Budgetary Comparison Schedule

Debt Service Fund

For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,879,116.00		\$ 1,879,116.00	\$ 1,879,116.00	
State Sources:					
Debt Service Aid Type II	1,916,617.00		1,916,617.00	1,916,617.00	
Total Revenues	3,795,733.00		3,795,733.00	3,795,733.00	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,189,519.00	\$ -	1,189,519.00	1,189,518.76	\$ 0.24
Redemption of Principal	2,625,000.00		2,625,000.00	2,625,000.00	
Total Regular Debt Service	3,814,519.00		3,814,519.00	3,814,518.76	0.24
Total Expenditures	3,814,519.00		3,814,519.00	3,814,518.76	0.24
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,786.00)		(18,786.00)	(18,785.76)	0.24
Fund Balance, July 1	18,786.38		18,786.38	18,786.38	
Fund Balance, June 30	\$ 0.38	\$ -	\$ 0.38	\$ 0.62	\$ 0.24
Recapitulation:					
Designated for Subsequent Year's Expenditures				\$ 0.62	
Unrestricted Fund Balance				\$ 0.62	
Designated for Subsequent Year's Expenditures				\$ 0.62	

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 eight 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 Eight Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,831,425.59	\$ 13,510,121.73	\$ 12,051,997.27	\$ 11,682,035.28	\$ 10,530,979.85	\$ 9,313,020.43
Restricted	6,279,909.52	5,065,491.31	4,160,761.79	2,813,705.47	4,251,973.78	4,170,136.86	784,205.45	2,678,703.84
Unrestricted	(2,758,019.82)	(2,965,962.07)	(660,547.21)	775,233.36	(1,258,552.11)	(2,367,641.48)	(2,035,184.39)	(1,320,704.74)
Total Governmental Activities Net Assets	\$ 23,760,408.99	\$ 19,786,880.97	\$ 19,331,640.17	\$ 17,099,060.56	\$ 15,045,418.94	\$ 13,484,530.66	\$ 9,280,000.91	\$ 10,671,019.53
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	\$ 279,423.53
Restricted								
Unrestricted	\$ 104,114.59	\$ 89,306.95	122,997.40	90,603.02	64,684.70	48,440.09	(266,707.92)	(7,461.70)
Total Business-type Activities Net Assets	\$ 104,114.59	\$ 89,306.95	\$ 168,047.03	\$ 182,527.43	\$ 203,483.89	\$ 234,114.06	\$ (34,159.17)	\$ 271,961.83
District-wide:								
Invested in Capital Assets, Net of Related Debt	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,876,475.22	\$ 13,602,046.14	\$ 12,190,796.46	\$ 11,867,709.25	\$ 10,763,528.60	\$ 9,592,443.96
Restricted	6,279,909.52	5,065,491.31	4,160,761.79	2,813,705.47	4,251,973.78	4,170,136.86	784,205.45	2,678,703.84
Unrestricted	(2,653,905.23)	(2,876,655.12)	(537,549.81)	865,836.38	(1,193,867.41)	(2,319,201.39)	(2,301,892.31)	(1,328,166.44)
Total District-wide Net Assets	\$ 23,864,523.58	\$ 19,876,187.92	\$ 19,499,687.20	\$ 17,281,587.99	\$ 15,248,902.83	\$ 13,718,644.72	\$ 9,245,841.74	\$ 10,942,981.36

Source: District Records

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

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental Activities:								
Instruction:								
Regular	\$ 18,698,619.61	\$ 18,143,529.50	\$ 17,890,088.31	\$ 16,597,891.61	\$ 17,237,910.55	\$ 15,864,088.45	\$ 14,758,951.61	\$ 15,599,866.03
Special Education	4,242,244.95	3,951,571.40	3,573,737.31	3,163,634.67	3,138,416.88	2,600,639.85	2,702,723.11	2,697,237.18
Other Special Education	129,099.74	427,046.45	344,615.29	299,508.49	119,802.37	105,347.00	256,777.41	269,806.95
Other Instruction	2,279,740.76	2,218,313.52	2,179,084.80	2,067,799.85	1,977,895.74	1,833,281.65	1,713,893.21	1,838,131.56
Support Services:								
Tuition	5,005,769.18	5,372,217.67	4,669,037.78	3,668,247.49	3,668,256.83	3,825,586.41	4,116,494.91	3,784,813.11
Student and Instruction Related Services	7,184,973.51	6,577,503.83	6,352,081.34	6,461,586.65	5,916,392.45	5,354,808.99	4,686,192.58	4,644,558.01
School Administrative Services	2,560,210.88	2,485,190.42	2,392,834.31	2,419,925.67	2,347,854.37	2,263,166.72	2,824,219.81	2,685,392.13
General and Business Administrative Services	2,017,965.70	1,940,263.62	2,108,447.49	2,135,008.41	2,116,729.30	2,037,550.38	1,467,458.73	1,402,017.47
Plant Operations and Maintenance	5,588,556.48	5,655,562.77	5,863,444.48	5,513,502.77	5,174,954.94	4,298,784.86	4,108,083.77	4,382,585.02
Pupil Transportation	3,785,124.00	4,048,797.72	3,697,447.01	3,245,023.33	3,270,960.57	3,088,582.83	2,987,341.91	2,470,738.87
Unallocated Benefits	9,632,880.17	9,091,218.91	8,812,871.11	8,527,056.85	7,510,303.69	7,046,450.91	6,451,763.45	5,385,336.19
Reimbursed TPAF and Social Security	3,372,488.90	3,207,213.05	4,891,734.64	4,659,760.47	3,124,668.02	2,696,087.48	2,543,969.04	2,136,096.28
Special Schools	147,911.57	151,911.29	139,628.69	143,350.32	151,922.03	67,384.70	31,249.00	242,288.40
Interest on Long-term Debt	1,273,800.99	1,362,678.76	1,472,892.21	1,603,298.38	1,706,479.80	1,572,771.95	2,006,261.69	2,087,069.43
Amortization of Debt Issuance Costs	21,375.83	21,375.83	21,902.08	19,925.14	19,925.13	18,854.38	13,500.64	13,500.64
Unallocated Depreciation	679,176.65	671,730.10	672,939.93	640,717.95	814,953.07	814,702.42	770,065.45	1,010,361.38
Total Governmental Activities Expenses	66,619,938.92	65,326,124.84	65,082,786.78	61,166,238.05	58,297,425.74	53,488,088.98	51,438,946.32	50,649,798.65
Business-type Activities:								
Food Service	1,826,244.03	2,048,298.57	1,891,877.72	1,888,064.64	1,758,926.70	1,636,480.96	1,523,265.29	1,342,807.61
Total Business-type Activities Expense	1,826,244.03	2,048,298.57	1,891,877.72	1,888,064.64	1,758,926.70	1,636,480.96	1,523,265.29	1,342,807.61
Total District Expenses	\$ 68,446,182.95	\$ 67,374,423.41	\$ 66,974,664.50	\$ 63,054,302.69	\$ 60,056,352.44	\$ 55,124,569.94	\$ 52,962,211.61	\$ 51,992,606.26

(Continued)

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

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues:								
Governmental Activities:								
Operating Grants and Contributions	\$ 5,803,114.27	\$ 5,228,721.42	\$ 6,735,198.43	\$ 6,486,818.46	\$ 5,041,119.69	\$ 4,594,616.13	\$ 4,570,071.05	\$ 4,241,169.28
Capital Grants and Contributions								
Total Governmental Activities Program Revenues	5,803,114.27	5,228,721.42	6,735,198.43	6,486,818.46	5,041,119.69	4,594,616.13	4,570,071.05	4,241,169.28
Business-type activities:								
Charges for services:								
Food service	1,017,458.19	1,204,657.87	1,222,540.53	1,209,788.39	1,172,227.40	1,110,558.21	1,044,005.41	968,092.84
Capital Grants and Contributions								
Operating Grants and Contributions	522,992.47	431,378.21	379,297.46	330,283.86	259,230.06	184,747.80	169,785.34	141,478.69
Total Business-type Activities Program Revenues	1,540,450.66	1,636,036.08	1,601,837.99	1,540,052.25	1,431,457.46	1,295,306.01	1,213,790.75	1,109,571.53
Total District Program Revenues	\$ 7,343,564.93	\$ 6,864,757.50	\$ 8,337,036.42	\$ 8,026,870.71	\$ 6,472,577.15	\$ 5,889,922.14	\$ 5,783,861.80	\$ 5,350,740.81
Net (Expense)/Revenue:								
Governmental Activities	\$ (60,816,824.65)	\$ (60,097,403.42)	\$ (58,347,588.35)	\$ (54,679,419.59)	\$ (53,256,306.05)	\$ (48,893,472.85)	\$ (46,868,875.27)	\$ (46,408,629.37)
Business-type Activities	(285,793.37)	(412,262.49)	(290,039.73)	(348,012.39)	(327,469.24)	(341,174.95)	(309,474.54)	(233,236.08)
Total District-wide Net Expense	\$ (61,102,618.02)	\$ (60,509,665.91)	\$ (58,637,628.08)	\$ (55,027,431.98)	\$ (53,583,775.29)	\$ (49,234,647.80)	\$ (47,178,349.81)	\$ (46,641,865.45)

(Continued)

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

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$ 26,795,855.00	\$ 25,861,401.00	\$ 29,655,998.00	\$ 27,733,018.00	\$ 25,966,061.00	\$ 25,016,795.00	\$ 18,572,612.00	\$ 17,175,625.00
Taxes Levied for Debt Service	1,879,116.00	1,916,716.00	1,915,304.00	1,806,378.00	1,931,520.00	1,415,631.00	1,787,437.00	1,595,868.00
Unrestricted Grants and Contributions	33,120,045.29	30,468,456.66	26,152,323.00	25,461,036.80	25,306,675.00	25,153,896.00	24,422,715.00	22,795,258.00
Restricted Grants and Contributions	2,384,163.80	1,724,035.03	1,663,972.49	1,145,593.11	1,069,560.54	1,590,960.97	844,664.10	830,112.61
Transportation	596,433.25	501,232.66	782,000.00	330,164.40	216,314.80	290,643.34	83,943.36	157,544.43
Miscellaneous	352,799.20	407,874.87	669,195.48	577,026.59	602,816.02	225,845.65	571,733.27	410,562.12
Special Items	(44,635.00)	(327,072.00)	(0.01)	(18,709.00)	(275,753.03)	3,274.98	(805,248.08)	8,015.26
Transfers	(293,424.87)		(258,625.00)	(301,446.69)		(599,044.34)		
Total Governmental Activities	64,790,352.67	60,552,644.22	60,580,167.96	56,733,061.21	54,817,194.33	53,098,002.60	45,477,856.65	42,972,985.42
Business-type Activities:								
Miscellaneous Income	7,176.14	6,450.41	16,934.33	25,609.24	21,086.04	10,403.84	3,353.54	5,328.30
Transfers	293,424.87	327,072.00	258,625.00	301,446.69	275,753.03	599,044.34		
Total Business-type Activities	300,601.01	333,522.41	275,559.33	327,055.93	296,839.07	609,448.18	3,353.54	5,328.30
Total District-wide	\$ 65,090,953.68	\$ 60,886,166.63	\$ 60,855,727.29	\$ 57,060,117.14	\$ 55,114,033.40	\$ 53,707,450.78	\$ 45,481,210.19	\$ 42,978,313.72
Change in Net Assets:								
Governmental Activities	\$ 3,973,528.02	\$ 455,240.80	\$ 2,232,579.61	\$ 2,053,641.62	\$ 1,560,888.28	\$ 4,204,529.75	\$ (1,391,018.62)	\$ (3,435,643.95)
Business-type Activities	14,807.64	(78,740.08)	(14,480.40)	(20,956.46)	(30,630.17)	268,273.23	(306,121.00)	(227,907.78)
Total District	\$ 3,988,335.66	\$ 376,500.72	\$ 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 Eight Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:								
Reserved	\$ 1,455,735.78	\$ 2,039,622.40	\$ 3,303,588.37	\$ 3,817,800.31	\$ 3,011,713.22	\$ 1,914,758.31	\$ 397,622.91	\$ 543,958.28
Unreserved	933,675.73	230,897.09	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	\$ 2,389,411.51	\$ 2,270,519.49	\$ 5,184,781.27	\$ 5,678,447.29	\$ 5,325,855.00	\$ 4,523,029.11	\$ (34,535.43)	\$ 38,228.12
All Other Governmental Funds:								
Reserved	\$ 2,457,057.72	\$ 1,175,966.14						\$ 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	0.62	18,786.38	18,785.89		85,774.87	85,774.63	(634.52)	39,502.83
Permanent Fund								
Total All Other Governmental Funds	\$ 2,457,058.34	\$ 1,194,752.52	\$ 14,378.89	\$ (4,407.00)	\$ 81,367.87	\$ 81,367.63	\$ 777,992.45	\$ 2,678,703.84

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,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Tax Levy	\$ 28,674,971.00	\$ 27,778,117.00	\$ 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
Other Local Revenue	968,239.45	1,006,501.13	1,451,195.48	907,190.99	819,130.82	516,488.99	655,676.63	568,106.55	772,836.99	2,263,029.33
State Sources	33,976,107.90	35,882,381.05	33,500,882.64	32,119,745.27	30,399,230.02	30,300,954.77	29,929,038.04	27,102,801.21	27,405,914.13	26,609,897.96
Federal Sources	7,312,208.46	1,441,438.46	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
Total Revenue	70,931,526.81	66,108,437.64	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
Expenditures:										
Instruction										
Regular Instruction	17,868,804.04	17,330,213.48	17,099,221.14	15,842,342.28	16,325,388.88	14,948,975.87	13,902,636.11	14,326,811.93	13,277,069.38	13,341,368.96
Special Education Instruction	4,242,244.95	3,951,571.40	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
Other Special Instruction	129,099.74	427,046.45	344,615.29	299,508.49	119,802.37	105,347.00	256,777.41	269,806.95	424,407.66	10,311.81
Other Instruction	2,195,171.74	2,135,057.15	2,096,230.64	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
Undistributed Expenditures - Pre-GASB 34										
Support Services:										
Tuition	5,005,769.18	5,372,217.67	4,669,037.78	3,668,247.49	3,668,256.83	3,825,586.41	4,116,494.91	3,784,813.11		
Student and Instruction Related Services	7,184,973.51	6,577,503.83	6,352,081.34	6,461,586.65	5,916,392.45	5,354,808.99	4,686,192.58	4,644,558.01		
School Administrative Services	2,560,210.88	2,485,190.42	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	1,979,322.59	2,144,719.68	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	5,565,916.54	5,633,205.92	5,841,063.82	5,492,214.84	5,148,007.39	4,271,817.09	4,082,653.78	4,382,565.02		
Pupil Transportation	3,785,124.00	4,048,797.72	3,697,447.01	3,245,023.33	3,270,960.57	3,088,582.83	2,987,341.91	2,436,799.61		
Unallocated Benefits	9,550,232.10	9,051,331.63	13,757,293.54	13,218,280.05	10,742,565.83	9,908,030.84	8,702,241.72	7,477,649.66		
Reimbursed TPAF Pension and Social Security	3,372,488.90	3,207,213.05								
Special Services	147,911.57	151,911.29	139,628.69	143,350.32	151,922.03	67,394.70	31,249.00	242,288.40	233,734.13	220,666.88
Debt Service:										
Principal	2,625,000.00	2,545,000.00	2,435,000.00	2,280,000.00	2,175,000.00	2,129,000.00	1,665,000.00	1,630,000.00	1,495,000.00	1,365,000.00
Interest and Other Charges	1,189,518.76	1,288,362.51	1,395,706.11	1,522,963.76	1,625,348.76	1,469,280.23	2,027,750.00	2,107,730.00	2,182,855.00	2,251,065.00
Capital Outlay	1,810,480.60	1,165,911.59	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
Total Expenditures	69,212,269.10	67,515,253.79	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
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,719,257.71	(1,406,816.15)	(216,255.13)	586,973.11	1,288,478.76	3,365,441.54	(1,518,226.86)	(2,789,239.59)	(3,417,696.17)	(1,789,713.05)
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)						1,150,000.00				
Sale/Leaseback of Textbooks Reserve					(219,899.60)	(68,732.46)				
Proceeds of Bonds						31,510,000.00				
Arbitrage Rebate						(31,198,494.25)	(576,081.44)			(365,889.19)
Payment to Refunded Debt Escrow Agent						(48,179.15)				
Premium/(Discount) on Bonds						(263,326.60)	120,833.36	8,015.26	(28,765.80)	580,150.00
Accrued Interest on Sale of Bonds						3,274.98				
Costs of Issuance										
Accounts Receivable/Payable Canceled	(44,635.00)			(18,709.00)		1,464,867.28	9,742.65	148,736.46	277,680.41	1,247,165.37
Refunds of Prior Year Funds Ineligible Costs	(293,424.87)	(327,072.00)	(258,625.00)	(301,446.69)	(275,753.03)	(2,063,911.62)	(9,742.65)	(148,736.46)	(277,680.41)	(1,247,165.37)
Transfers In	(338,059.87)	(327,072.00)	(258,625.00)	(320,155.69)	(495,652.63)	495,498.18	(455,248.08)	8,015.26	(28,765.80)	214,260.81
Transfers Out										
Total Other Financing Sources (Uses)	\$ 1,381,197.84	\$ (1,733,888.15)	\$ (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)
Net Change in Fund Balances										
Debt Service as a Percentage of Noncapital Expenditures	5.7%	5.8%	5.8%	6.1%	6.5%	5.2%	7.3%	7.5%	8.0%	8.5%

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,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Interest	\$ 27,290.44	\$ 33,784.79	\$ 192,648.11	\$ 303,916.27	\$ 252,878.81	\$ 75,029.97	\$ 14,473.37	\$ 28,737.13	\$ 102,609.59	\$ 121,393.25
Gate Receipts	28,946.00	37,437.00	39,306.00	36,650.00	37,079.72	37,404.00	38,826.00	37,854.00	40,790.00	29,421.00
Tuition Students/Other LEAs	31,246.24	2,212.00	11,053.20	11,053.20	12,702.00					
Fines	11,495.54	12,132.87	10,107.72	9,188.10	15,101.36	16,922.71	11,347.80	9,782.88	10,348.88	12,770.00
Refunds	31,549.77	35,177.95		68,124.73	58,585.54	33,264.11	26,008.61	84,927.64	103,535.66	177,606.48
Federal/State Refunds	13,010.22									
Sale/Lease of Textbooks	39,780.00	38,270.00	24,090.97	10,201.10	26,608.02	12,330.00	350,000.00			
Use of Facilities Fees	14,443.91	11,716.64	24,929.81	7,322.38	50,811.55	45,425.48	4,140.00	9,025.00	2,475.00	1,251.00
Miscellaneous	28,546.59	17,660.53	17,660.53	26,029.96	86,697.74		117,194.84	62,564.30	56,662.54	60,949.77
Miscellaneous/Erate Refunds	45,591.97	39,897.64	120,316.65	85,504.69	31,717.96					
Insurance Reimbursements	44,109.88	76,289.00	34,317.58							
Insurance Dividends	20,914.19	23,312.53	26,161.10							
Health Benefit Contributions										
Insurance Claims										
Prior Year Payables Canceled					26,783.32					
Copier Lease Buyout - Prior Year		91,995.35	161,440.41							
Copier Lease Buyout - Current Year		1,176.60	15,000.00							
Copier Fees		1,000.00	2,040.00							
Mentoring Fees				9,669.00						
GED Course Fees				1,630.00	3,850.00					
Homeless Aid				7,737.16						
Total Miscellaneous Revenues	\$ 336,924.75	\$ 403,225.77	\$ 669,195.48	\$ 577,026.59	\$ 602,816.02	\$ 220,376.27	\$ 561,990.62	\$ 232,890.95	\$ 316,421.67	\$ 456,613.80

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:												
2010	\$ 8,439,300.00	\$ 577,285,300.00	None	\$ 83,073,000.00	\$ 99,602,300.00	\$ 65,702,600.00	\$ 834,102,500.00	\$ 1,337,997.00	\$ 835,440,497.00	\$ 128,273,500.00	\$ 855,123,775.00	\$ 0.464
2009 - R	8,672,800.00	576,086,300.00	None	84,801,500.00	106,056,000.00	66,014,700.00	841,631,300.00	1,380,914.00	843,012,214.00	123,595,800.00	848,773,063.00	0.433
2008	4,030,800.00	297,552,200.00	None	40,861,800.00	58,522,900.00	429,209,345.00	430,209,345.00	695,045.00	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	58,522,900.00	28,553,300.00	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	58,816,900.00	28,584,700.00	428,087,200.00	808,116.00	428,895,316.00	50,735,200.00	779,290,022.00	0.858
2005	3,893,600.00	295,053,800.00	None	39,445,400.00	58,431,100.00	28,561,500.00	425,385,400.00	1,024,390.00	426,409,790.00	50,742,200.00	669,238,967.00	0.842
2004	3,574,900.00	294,887,400.00	None	40,145,200.00	58,538,500.00	28,508,700.00	425,654,700.00	1,121,810.00	426,776,510.00	50,969,300.00	565,052,255.00	0.775
2003	3,779,100.00	293,457,700.00	None	40,658,100.00	58,635,100.00	28,537,000.00	425,062,000.00	1,250,890.00	426,312,890.00	50,930,500.00	489,798,861.00	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	425,907,591.00	50,023,800.00	484,579,661.00	0.646
2001	3,671,700.00	291,141,700.00	None	40,558,300.00	59,093,000.00	28,495,700.00	423,160,400.00	1,262,220.00	424,442,620.00	50,270,200.00	469,690,698.00	0.549
Gloucester Township:												
2010 - R	\$ 48,611,000.00	\$ 3,922,641,150.00	\$ 7,735,800.00	\$ 317,979,100.00	\$ 60,852,900.00	\$ 166,205,500.00	\$ 4,524,025,450.00	\$ 11,677,300.00	\$ 4,535,702,750.00	\$ 777,355,900.00	\$ 4,740,264,761.00	\$ 0.499
2009	25,485,900.00	2,145,192,600.00	4,312,600.00	153,492,500.00	32,643,200.00	85,262,700.00	2,446,389,500.00	5,923,640.00	2,452,313,140.00	418,139,400.00	4,902,197,036.00	0.888
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	4,820,589,508.00	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	4,764,364,192.00	0.981
2006	27,966,100.00	2,094,399,900.00	4,308,400.00	142,600,400.00	34,229,100.00	83,623,300.00	2,393,157,200.00	6,561,812.00	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	4,669,300.00	145,046,600.00	34,200,800.00	83,623,300.00	2,368,026,800.00	8,338,470.00	2,376,365,270.00	355,682,286.00	3,900,558,720.00	0.967
2004	32,768,701.00	2,033,132,300.00	4,165,500.00	137,553,300.00	34,828,300.00	83,623,300.00	2,328,071,401.00	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	10,977,715.00	2,310,548,316.00	346,077,775.00	2,813,964,796.00	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
Runnemede Borough:												
2010	\$ 2,897,400.00	\$ 257,268,300.00	None	\$ 45,786,500.00	\$ 12,300,100.00	\$ 18,027,700.00	\$ 336,280,000.00	\$ 970,055.00	\$ 337,250,055.00	\$ 44,295,000.00	\$ 591,488,840.00	\$ 0.835
2009	2,979,200.00	257,477,700.00	None	45,139,100.00	12,300,100.00	18,297,700.00	336,193,800.00	945,824.00	337,139,624.00	43,772,300.00	612,997,837.00	0.838
2008	2,952,100.00	257,174,700.00	None	45,644,500.00	12,749,700.00	18,297,700.00	336,818,700.00	1,048,363.00	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	534,980,012.00	0.876
2006	2,840,200.00	254,680,800.00	None	44,427,900.00	13,249,700.00	18,297,700.00	333,496,900.00	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	44,497,800.00	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	400,888,397.00	0.806
2003	2,947,100.00	249,031,000.00	None	45,484,800.00	13,644,300.00	18,297,700.00	329,405,000.00	1,893,139.00	331,298,139.00	43,942,000.00	371,057,392.00	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

(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

R - Revaluation

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:								
2010	\$ 0.409	\$ 0.055	\$ 0.464	\$ 0.920	\$ 0.934	\$	0.665	\$ 2.983
2009	0.402	0.031	0.433	0.879	0.858		0.563	2.733
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	5.251
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
Gloucester Township:								
2010	\$ 0.457	\$ 0.042	\$ 0.499	\$ 0.922	\$ 0.887	\$ 0.708	0.682	\$ 3.698
2009	0.810	0.078	0.888	1.667	1.448	1.294	1.239	6.536
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
Runnemede Borough:								
2010	\$ 0.791	\$ 0.044	\$ 0.835	\$ 1.817	\$ 1.379	\$	1.073	\$ 5.104
2009	0.770	0.068	0.838	1.808	1.347		1.017	5.010
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

Source: Municipal Tax Collectors

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

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Bellmawr Borough:						
Mutual Housing	\$ 27,775,500.00	1	3.33%	\$ 12,951,100.00	2	3.06%
The Korman Co.	27,268,000.00	2	3.27%	16,577,300.00	1	3.92%
East CoastHyde Park Apartments	18,391,900.00	3	2.20%			
Houghton Mifflin Harcourt	12,000,000.00	4	1.44%	6,762,800.00	4	1.60%
Interstate Holding	11,735,400.00	5	1.41%	7,129,000.00	3	1.68%
South Penn Associates	9,600,600.00	6	1.15%			
International Paper Company	7,104,200.00	7	0.85%			
J&J Snack Foods	4,873,700.00	8	0.58%			
Spruce Manor Enterprises	4,687,500.00	9	0.56%			
Barnard Development Company	4,548,300.00	10	0.55%			
Hyde Park Apartments				5,929,900.00	5	1.40%
Williamette Industries				4,679,000.00	6	1.11%
Bellmawr Manor LLC				4,269,700.00	7	1.01%
Walgreens				2,972,400.00	8	0.70%
Browning Square Inc.				2,789,700.00	9	0.66%
45 Heller Road LLC				2,350,000.00	10	0.56%
Total	\$ 127,985,100.00		15.34%	\$ 66,410,900.00		15.70%

Source: Municipal Tax Assessor

(Continued)

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

Taxpayer	2010 (R)			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Gloucester Township:						
Autumn Ridge Apartments	a \$ 39,043,100.00	1	0.86%	\$ 19,168,000.00	1	0.86%
Lakeview Realty Investment Association	b 33,022,700.00	2	0.73%	17,402,000.00	2	0.78%
Millbridge Apartments	30,841,600.00	3	0.68%	15,480,300.00	3	0.70%
Korman Residential Property Inc.	19,872,000.00	4	0.44%	10,914,600.00	5	0.49%
Inland Western	18,165,200.00	5	0.40%			
Chews Landing LLC	16,209,900.00	6	0.36%			
Fairways Apartments	16,145,500.00	7	0.36%	7,800,000.00	6	0.35%
Benderson (Cherrywood Associates)	13,967,600.00	8	0.31%	5,625,800.00	8	0.25%
Clinton Blackwood	13,288,900.00	9	0.29%			
Bell Atlantic	11,756,300.00	10	0.26%			
Group IV Equities				12,464,800.00	4	0.56%
Pine Run Commerce Center				6,602,900.00	7	0.30%
Zallies Supermarket (Shop Rite)				4,350,600.00	9	0.20%
Jamestown Square Apartments				3,522,000.00	10	0.16%
Total	\$ 212,312,800.00		4.69%	\$ 103,331,000.00		4.65%

a. In 2000 this taxpayer was named Fountainview Village Apartments
b. In 2000 this taxpayer was named Pine Run Apartments

R - Revaluation in 2010

Source: Municipal Tax Assessor

(Continued)

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

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Runnemede Borough:						
D & P Industrial	\$ 11,016,300.00	1	3.27%	6,647,000.00	1	2.05%
Presidential Associates	6,000,000.00	2	1.78%	6,000,000.00	2	1.85%
Hartford Plaza	5,092,300.00	3	1.51%			
The Meadows at Runnemede Investors	4,400,000.00	4	1.30%	3,500,000.00	4	1.08%
Runnemede Lodging Investors	3,250,000.00	5	0.96%	3,237,400.00	5	1.00%
Sintara Corporation (Runnemede Plaza)	2,450,000.00	6	0.73%	2,035,500.00	8	0.63%
East Coast Enterprises	2,125,100.00	7	0.63%			
CVS Pharmacy	1,578,700.00	8	0.47%			
Runnemede Associates	1,362,000.00	9	0.40%	1,250,000.00	9	0.38%
United Softee Realty Co.	1,250,000.00	10	0.37%	3,795,100.00	3	1.17%
Joseph Samost				2,200,000.00	6	0.68%
Grande Associates				2,200,000.00	7	0.68%
Grande Associates				1,090,000.00	10	0.34%
Oak Ridge Apartments						
Total	\$ 38,524,400.00		11.42%	\$ 25,308,000.00		9.86%

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>	
2010	\$ 28,674,971.00	\$ 28,370,367.13	98.94%	\$ 304,603.87
2009	27,778,117.00	27,778,117.00	100.00%	N/A
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

(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 <u>June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Percentage of Personal Income (2)	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Textbook Leases</u>	<u>Capital Leases</u>	<u>Total District</u>		
Bellmawr Borough:						
2010	\$ 4,086,045.37	\$ -	-	\$ 4,086,045.37	Unavailable	Unavailable
2009	4,423,229.97	18,457.27	-	4,441,687.24	Unavailable	396.23
2008	4,762,823.02	69,533.20	-	4,832,356.22	1.05%	431.92
2007	5,056,353.47	111,916.99	-	5,168,270.46	1.15%	461.54
2006	5,331,421.15	151,619.52	-	5,483,040.67	1.27%	489.95
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%	534.84
2003	6,337,633.05	-	-	6,337,633.05	1.68%	566.37
2002	6,682,004.91	-	-	6,682,004.91	1.83%	595.12
2001	6,848,560.15	-	-	6,848,560.15	1.93%	610.50
Gloucester Township:						
2010	\$ 22,766,546.49	\$ -	-	\$ 22,766,546.49	Unavailable	Unavailable
2009	24,827,794.26	103,601.49	-	24,931,395.75	Unavailable	385.34
2008	26,839,805.36	391,838.55	-	27,231,643.91	1.02%	420.23
2007	28,752,596.20	636,408.06	-	29,389,004.26	1.13%	451.49
2006	30,457,922.27	866,188.48	-	31,324,110.75	1.25%	479.31
2005	31,853,709.51	1,075,428.83	-	32,929,138.34	1.40%	506.36
2004	31,309,306.22	264,679.42	-	31,573,985.64	1.40%	487.43
2003	32,353,398.68	-	-	32,353,398.68	1.49%	500.92
2002	33,519,788.40	-	-	33,519,788.40	1.60%	519.80
2001	34,625,850.22	-	-	34,625,850.22	1.71%	542.07
Runnemede Borough:						
2010	\$ 2,849,408.14	\$ -	-	\$ 2,849,408.14	Unavailable	Unavailable
2009	3,075,975.77	12,835.44	-	3,088,811.21	Unavailable	367.37
2008	3,269,371.62	47,730.07	-	3,317,101.69	0.96%	393.91
2007	3,513,050.33	77,757.62	-	3,590,807.95	1.06%	424.95
2006	3,812,656.58	108,427.59	-	3,921,084.17	1.20%	463.65
2005	4,153,573.38	140,230.84	-	4,293,804.22	1.40%	506.05
2004	4,186,060.39	35,387.69	-	4,221,448.08	1.43%	498.34
2003	4,375,968.27	-	-	4,375,968.27	1.53%	515.37
2002	4,495,206.69	-	-	4,495,206.69	1.63%	528.23
2001	4,717,589.63	-	-	4,717,589.63	1.76%	555.14

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development

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			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
Bellmawr Borough:					
2010	\$ 4,086,045.37	-	\$ 4,086,045.37	0.49%	Unavailable
2009	4,423,229.97	-	4,423,229.97	0.52%	394.58
2008	4,762,823.02	-	4,762,823.02	1.11%	425.71
2007	5,056,353.47	-	5,056,353.47	1.18%	451.54
2006	5,331,421.15	-	5,331,421.15	1.24%	476.40
2005	5,769,717.11	-	5,769,717.11	1.35%	518.95
2004	5,906,633.40	-	5,906,633.40	1.38%	530.36
2003	6,337,633.05	-	6,337,633.05	1.49%	566.37
2002	6,682,004.91	-	6,682,004.91	1.57%	595.12
2001	6,848,560.15	-	6,848,560.15	1.61%	610.50
Gloucester Township:					
2010	22,766,546.49	-	22,766,546.49	0.50%	Unavailable
2009	24,827,794.26	-	24,827,794.26	1.01%	383.74
2008	26,839,805.36	-	26,839,805.36	1.10%	414.19
2007	28,752,596.20	-	28,752,596.20	1.19%	441.71
2006	30,457,922.27	-	30,457,922.27	1.27%	466.05
2005	31,853,709.51	-	31,853,709.51	1.34%	489.82
2004	31,309,306.22	-	31,309,306.22	1.34%	483.34
2003	32,353,398.68	-	32,353,398.68	1.40%	500.92
2002	33,519,788.40	-	33,519,788.40	1.47%	519.80
2001	34,625,850.22	-	34,625,850.22	1.56%	542.07
Runnemede Borough:					
2010	2,849,408.14	-	2,849,408.14	0.84%	Unavailable
2009	3,075,975.77	-	3,075,975.77	0.91%	365.84
2008	3,269,371.62	-	3,269,371.62	0.97%	388.24
2007	3,513,050.33	-	3,513,050.33	1.04%	415.75
2006	3,812,656.58	-	3,812,656.58	1.14%	450.83
2005	4,153,573.38	-	4,153,573.38	1.24%	489.52
2004	4,186,060.39	-	4,186,060.39	1.27%	494.16
2003	4,375,968.27	-	4,375,968.27	1.32%	515.37
2002	4,495,206.69	-	4,495,206.69	1.36%	528.23
2001	4,717,589.63	-	4,717,589.63	1.45%	555.14

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, 2009

Unaudited

Bellmawr Borough:	<u>Gross Debt</u>	<u>Deductions</u>	Statutory Net Debt <u>Outstanding</u>	Net Debt Outstanding Allocated to <u>Bellmawr Borough</u>
Municipal Debt: (1)				
Bellmawr Borough School District (1)	\$ 987,898.00	\$ 987,898.00		
Black Horse Pike Regional School District (1) (2)	4,086,045.37	4,086,045.37		
Bellmawr Borough Water & Sewer Utility (1)	485,659.78			
Bellmawr Borough (1)	14,265,955.18	237,006.35 (3)	\$ 14,028,948.83	\$ 14,028,948.83
	<u>19,825,558.33</u>	<u>5,310,949.72</u>	<u>14,028,948.83</u>	<u>14,028,948.83</u>
Overlapping Debt Apportioned to the Municipality: County of Camden: (1)				
General:				
Bonds	24,809,403.00	9,587,622.00 (4)	15,221,781.00	317,385.23 (6)
Loan Agreement	72,290,000.00		72,290,000.00	1,507,299.20 (6)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>740,854,752.00</u>	<u>740,854,752.00</u> (5)		
	<u>837,954,155.00</u>	<u>750,442,374.00</u>	<u>87,511,781.00</u>	<u>1,824,684.43</u>
	<u>\$ 857,779,713.33</u>	<u>\$ 755,753,323.72</u>	<u>\$ 101,540,729.83</u>	<u>\$ 15,853,633.26</u>

Sources:

- (1) Entity's Audit Report
 - (2) Allocated based on percentage of average equalized valuations
 - (3) Includes Reserve for Payment of Bonds.
 - (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (5) Deductible in accordance with N.J.S. 40:37A-80.
 - (6) Such debt is allocated as a proportion of the Borough's share of the total 2010 Equalized Value, which is 2.09%.
- The source for this computation was the 2010 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, 2009

Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Gloucester Township</u>	<u>Debt Authorized but not Issued</u>
Gloucester Township:					
Municipal Debt: (1)					
Gloucester Township School District	\$ 29,863,157.95	\$ 29,863,157.95			
Black Horse Pike Regional School District (2)	22,811,740.81	22,811,740.81			
Gloucester Township	<u>39,741,815.34</u>		<u>\$ 39,741,815.34</u>	<u>\$ 39,741,815.34</u>	<u>\$ 3,299,053.00</u>
	<u>92,416,714.10</u>	<u>52,674,898.76</u>	<u>39,741,815.34</u>	<u>39,741,815.34</u>	<u>3,299,053.00</u>
Overlapping Debt Apportioned to the Municipality:					
County of Camden: (1)					
General:					
Bonds	24,809,403.00		15,221,781.00	1,712,363.76 (5)	
Loan Agreement	72,290,000.00	9,587,622.00 (3)	72,290,000.00	8,132,213.74 (5)	
Bonds Issued by Other Public Bodies					
Guaranteed by the County	740,854,752.00	740,854,752.00 (4)			
Gloucester Township MUA (1)	14,303,696.00		14,303,696.00	14,303,696.00	
Gloucester Township Fire Districts (1)	<u>1,080,000.00</u>		<u>1,080,000.00</u>	<u>1,080,000.00</u>	
	<u>853,337,851.00</u>	<u>750,442,374.00</u>	<u>102,895,477.00</u>	<u>25,228,273.50</u>	
	<u>\$ 945,754,565.10</u>	<u>\$ 803,117,272.76</u>	<u>\$ 142,637,292.34</u>	<u>\$ 64,970,088.84</u>	<u>\$ 3,299,053.00</u>

Sources:

- (1) Entity's Audit Report
- (2) Allocated based on percentage of average equalized valuations
- (3) Township Officials
- (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Township's share of the total 2010 Equalized Value, which is 11.25%.

The source for this computation was the 2010 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, 2009
Unaudited

Runnemede Borough:	<u>Gross Debt</u>	<u>Deductions</u>	Statutory Net Debt <u>Outstanding</u>	Net Debt Outstanding Allocated to <u>Runnemede Borough</u>
Municipal Debt: (1)				
Runnemede Borough School District	\$ 745,000.00	\$ 745,000.00		
Black Horse Pike Regional School District (2)	2,849,408.14	2,849,408.14		
Runnemede Borough	4,646,500.00	99,785.50	\$ 4,546,714.50	\$ 4,546,714.50
Borough Sewer Utility	3,290,408.04	3,290,408.04	-	
	<u>11,531,316.18</u>	<u>6,984,601.68</u>	<u>4,546,714.50</u>	<u>4,546,714.50</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	24,809,403.00		(3) 24,809,403.00	350,695.42 (5)
Loan Agreement	72,290,000.00		72,290,000.00	1,021,861.44 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>740,854,752.00</u>		<u>(4) 740,854,752.00</u>	
	<u>837,954,155.00</u>		<u>837,954,155.00</u>	<u>1,372,556.86</u>
	<u>\$ 849,485,471.18</u>	<u>\$ 6,984,601.68</u>	<u>\$ 842,500,869.50</u>	<u>\$ 5,919,271.36</u>

Sources:

- (1) Entity's Audit Report
 - (2) Allocated based on percentage of average equalized valuations
 - (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 2010 Equalized Value, which is 1.41%.
- The source for this computation was the 2010 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2009

	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limit	\$ 185,993,239.21	\$ 181,275,939.52	\$ 168,898,022.58	\$ 148,408,568.85	\$ 128,556,536.61	\$ 111,925,410.57	\$ 101,654,079.72	\$ 94,761,781.11	\$ 90,222,676.14	\$ 87,144,662.34
Total net debt applicable to limit (3)	29,702,000.00	32,327,000.00	34,872,000.00	37,322,000.00	39,602,000.00	41,777,000.00	41,402,000.00	43,067,000.00	44,697,000.00	46,192,000.00
Legal debt margin	\$ 156,291,239.21	\$ 148,948,939.52	\$ 134,026,022.58	\$ 111,086,568.85	\$ 88,954,536.61	\$ 70,148,410.57	\$ 60,252,079.72	\$ 51,694,781.11	\$ 45,525,676.14	\$ 40,952,662.34
Total net debt applicable to the limit as a percentage of debt limit	15.97%	17.83%	20.65%	25.15%	30.81%	37.33%	40.73%	45.45%	49.54%	53.01%

Average Equalized valuation basis (1)	[A]	\$ 6,199,774,640
Bellmawr Borough	[B]	185,993,239.21
Gloucester Township	[C]	29,702,000.00
Runnemede Borough	[B-C]	\$ 156,291,239.21

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by N.J.S.A. 18A:24-19 for a Regional High School district.
- (3) District Records

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:				
2010	Unavailable	Unavailable	Unavailable	Unavailable
2009	11,210	Unavailable	Unavailable	8.70%
2008	11,188	\$ 461,325,992.00	\$ 41,234.00	5.50%
2007	11,198	448,502,296.00	40,052.00 R	4.20%
2006	11,191	430,674,444.00	38,484.00 R	4.50%
2005	11,118	401,671,104.00	36,128.00 R	4.20%
2004	11,137	387,857,162.00	34,826.00 R	4.90%
2003	11,190	376,845,630.00	33,677.00 R	5.50%
2002	11,228	364,674,212.00	32,479.00 R	5.30%
2001	11,218	354,612,198.00	31,611.00 R	3.70%
Gloucester Township:				
2010	Unavailable	Unavailable	Unavailable	Unavailable
2009	64,700	Unavailable	Unavailable	8.70%
2008	64,801	\$ 2,672,004,434.00	\$ 41,234.00	3.20%
2007	65,094	2,607,144,888.00	40,052.00 R	2.70%
2006	65,353	2,515,044,852.00	38,484.00 R	2.70%
2005	65,031	2,349,439,968.00	36,128.00 R	2.40%
2004	64,777	2,255,923,802.00	34,826.00 R	4.80%
2003	64,588	2,175,130,076.00	33,677.00 R	5.40%
2002	64,486	2,094,440,794.00	32,479.00 R	5.20%
2001	63,877	2,019,215,847.00	31,611.00 R	3.70%
Runnemede Borough:				
2010	Unavailable	Unavailable	Unavailable	Unavailable
2009	8,408	Unavailable	Unavailable	12.20%
2008	8,421	\$ 347,231,514.00	\$ 41,234.00	7.90%
2007	8,450	338,439,400.00	40,052.00 R	6.00%
2006	8,457	325,459,188.00	38,484.00 R	6.50%
2005	8,485	306,546,080.00	36,128.00 R	6.00%
2004	8,471	295,011,046.00	34,826.00 R	4.50%
2003	8,491	285,951,407.00	33,677.00 R	5.00%
2002	8,510	276,396,290.00	32,479.00 R	4.80%
2001	8,498	268,630,278.00	31,611.00 R	3.40%

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 data provided by the NJ Dept of Labor and Workforce Development
- (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

	2010			2001		
<u>Employer</u>	<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>
Country Home Bakers, Inc.	250	1	3.96%	N/A	N/A	N/A
Evergreen Printing and Publishing Co. Inc.	200	2	3.17%	N/A	N/A	N/A
ServiceMaster, Inc.	200	3	3.17%	N/A	N/A	N/A
Vertis Mailing, LLC	160	4	2.54%	N/A	N/A	N/A
J&J Snack Foods, Inc.	150	5	2.38%	N/A	N/A	N/A
International Paper Company	137	6	2.17%	N/A	N/A	N/A
Houghton Mifflin Harcourt Publishing Co.	125	7	1.98%	N/A	N/A	N/A
Red Line Officials	124	8	1.97%	N/A	N/A	N/A
U.S. Logistics, Inc.	105	9	1.66%	N/A	N/A	N/A
Ace Glass Inc.	100	10	1.59%	N/A	N/A	N/A
	<u>1,551</u>		<u>24.59%</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

Runnemedede Borough:	2010			2001			
	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total Municipal <u>Employment</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total Municipal <u>Employment</u>
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Information not provided by Municipal entity.

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,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Instruction										
Regular	262	240	238	227.5	221	225	234	212	205	204
Special education	49	53	47	50	48	46	47	43	43	43
Other special education	45	44	42	42	35	22	21	23	22	12
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	54	58	55.5	78.5	78.5	81	66	80	73	62
General administrative services	10	13	13	12.5	12.5	10.5	9	12	3	3
School administrative services	51	52	51	41	40	39	53	35	46	37
Business administrative services	6	6	6.5	6.5	6.5	7	7	9	9	8
Plant operations and maintenance	50	50	49	53	52	53.5	61	61	58	43
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	26	30	31	33	34	34	34	34	34	34
Community Education and Recreation	-	-	-	-	-	-	-	-	-	-
Total	553	546	533	544	528	518	531	509	493	446

N/A - Not available

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio District	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2010	4,104	\$ 63,587,269.74	\$ 15,493.97	2.85%	326	1:13	4,184.10	3,915.80	0.44%	93.59%
2009	4,150	62,515,979.69	15,064.09	0.38%	333	1:13	4,165.80	3,896.30	-3.08%	93.53%
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%

Sources: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

School Building Information
Last Ten Fiscal Years
Unaudited

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>District Building</u>										
<u>High School</u>										
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)	1,219	1,219	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657
Enrollment	1,557	1,557	1,525	1,494	1,435	1,443	1,547	1,529	1,550	1,705
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)	1,285	1,285	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416
Enrollment	1,179	1,179	1,193	1,212	1,167	1,123	1,134	1,082	1,099	1,657
Timber Creek High School (2001)										
Square Feet	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	N/A
Capacity (students)	1,655	1,655	1,442	1,442	1,442	1,442	1,442	1,442	1,442	N/A
Enrollment	1,414	1,414	1,428	1,419	1,437	1,348	1,318	1,213	1,234	N/A
<u>Other</u>										
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, 2010
High School = 3
Other = 1

Source: District Records

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

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

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Triton High School		\$ 396,868.83	\$ 462,083.37	\$ 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		449,874.95	460,692.79	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		400,435.66	402,486.42	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>1,247,179.44</u>	<u>1,325,262.58</u>	<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>\$1,247,179.44</u>	<u>\$1,325,262.58</u>	<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, 2010
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property - Blanket Building & Personal Property	\$ 126,955,209.00 (a)	\$ 1,000.00
Comprehensive General Liability	6,000,000.00	
Comprehensive Automobile Liability	1,000,000.00	1,000.00
Employee Benefits Program Liability	3,000,000.00	1,000.00
School Board Legal Liability	5,000,000.00	5,000.00
Student Accident	1,000,000.00	
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 THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND 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 Black Horse Pike Regional School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2010. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2010.

Internal Control Over Compliance

Management of 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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the 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
 Certified Public Accountant
 Public School Accountant No. CS 01191

Voorhees, New Jersey
 November 15, 2010

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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, 2010

<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, 2009</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	\$ 72,565.00	7-1-09	6-30-10	\$ 19,086.32
School Breakfast Program	10.553	N/A	45,914.40	7-1-08	6-30-09	(4,841.55)
School Breakfast Program	10.553	N/A	66,076.72	7-1-09	6-30-10	
National School Lunch Program	10.555	N/A	315,503.76	7-1-08	6-30-09	(27,331.93)
National School Lunch Program	10.555	N/A	361,829.57	7-1-09	6-30-10	
Total Enterprise Fund						<u>(13,087.16)</u>
U.S. Department of Education						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	0390 09	423,167.00	9- 1-08	8-31-09	(53,533.37)
Title I	84.010	0390 10	369,602.00	9- 1-09	8-31-10	
Title I SIA Part A	84.010	0390 09	29,020.00	9- 1-08	8-31-09	(22,353.00)
ARRA - Title I	84.389A	0390 10	235,897.00	7- 1-09	8-31-11	
ARRA - Title I SIA	84.389A	0390 10	5,502.00	7- 1-09	8-31-11	
Title II Part A	84.367	0390 08	61,295.00	9- 1-07	8-31-09	0.10
Title II Part A	84.367	0390 09	79,682.00	9- 1-08	8-31-09	(21,715.00)
Title II Part A	84.367	0390 10	73,973.00	9- 1-09	8-31-10	
Title II Part D	84.318	0390 09	3,517.00	9- 1-08	8-31-09	(103.00)
Title II Part D	84.318	0390 10	3,732.00	9- 1-09	8-31-10	
Title III	84.365	0390 08	16,487.00	9- 1-08	8-31-09	(13,537.72)
Title IV	84.186	0390 09	11,178.00	9- 1-08	8-31-09	(1,819.00)
Title IV	84.186	0390 10	5,005.00	9- 1-09	8-31-10	
I.D.E.I.A, Part B Programs:						
Basic Regular	84.027	FT-0390-09	871,963.00	9- 1-08	8-31-09	(264,718.70)
Basic Regular	84.027	FT-0390-10	868,900.00	9- 1-08	8-31-09	
ARRA - Basic Regular	84.391A	FT-0390-10	981,856.00	6- 5-09	8-31-11	(59,729.90)
Vocational Education						
Perkins Vocational and Applied Technology Education						
Prior Year	84.048	PERK - 09	93,593.00	9- 1-08	8-31-09	(22,811.18)
Current Year	84.048	PERK - 10	97,096.00	9- 1-09	8-31-10	
Math-in-CTE						
Current Year	84.048	N/A	12,000.00	9- 1-08	8-31-09	<u>(2,326.22)</u>
Total Special Revenue Fund						<u>(462,646.99)</u>
U.S. Department of Education:						
Passed-through the State Department of Education:						
General Fund:						
ARRA - ESF Equalization Aid	84.394	N/A	5,140,879.00	7-1-09	6-30-10	
ARRA - GSF Equalization Aid	84.397	N/A	199,011.00	7-1-09	6-30-10	
U.S. Department of Health and Human Services:						
Passed-through the State Department of Education:						
Special Education -- Medicaid Initiative	93.778	N/A	83,816.29	7-1-09	6-30-10	
Total Federal Financial Assistance						<u>\$ (475,734.15)</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, 2010		
					Accounts Receivable June 30, 2010	Deferred Revenue June 30, 2010	Due to Grantor at June 30, 2010
	\$ 72,565.00		\$ (62,887.79)			\$ 28,763.53	
	4,841.55						
	59,817.84		(66,076.72)		\$ (6,258.88)		
	27,331.93						
	331,765.70		(361,829.57)		(30,063.87)		
	<u>496,322.02</u>		<u>(490,794.08)</u>		<u>(36,322.75)</u>	<u>28,763.53</u>	
	199,993.00	(0.97)	(153,958.66)		(7,500.00)		
	162,789.00		(340,224.88)		(177,435.88)		
	28,995.00	6.00	(6,673.00)		(25.00)		
	7,191.00		(64,737.04)		(57,546.04)		
			(5,502.00)		(5,502.00)		
		(0.10)					
	14,480.00				(7,235.00)		
	24,660.00		(73,973.00)		(49,313.00)		
					(103.00)		
	2,744.00		(3,732.00)		(988.00)		
	14,758.00	(0.15)	(2,949.13)		(1,729.00)		
	1,044.00				(775.00)		
	1,268.00		(5,005.00)		(3,737.00)		
	300,825.00	1,893.70	(38,000.00)				
	593,341.00	(0.02)	(808,287.20)		(214,946.22)		
	204,395.00		(328,321.22)		(183,656.12)		
	22,812.00	(0.82)					
	70,551.00		(97,095.69)		(26,544.69)		
					(2,326.22)		
	<u>-</u>	<u>1,897.64</u>	<u>(1,928,458.82)</u>	<u>-</u>	<u>(739,362.17)</u>		
	5,140,879.00		(5,140,879.00)				
	199,011.00		(199,011.00)				
	<u>83,816.29</u>		<u>(83,816.29)</u>				
	<u>-</u>	<u>-</u>	<u>(5,423,706.29)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 7,569,874.31</u>	<u>\$ 1,897.64</u>	<u>\$(7,842,959.19)</u>	<u>\$ -</u>	<u>\$ (775,684.92)</u>	<u>\$ 28,763.53</u>	<u>\$ -</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2010

<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, 2009</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:							
Equalization Aid	09-495-034-5120-078	\$27,754,098.00		7-1-08	6-30-09	\$ (2,564,636.00)	
Equalization Aid	10-495-034-5120-078	24,089,735.00		7-1-09	6-30-10		
Special Education Categorical Aid	09-495-034-5120-089	2,260,248.00		7-1-08	6-30-09	(208,860.00)	
Special Education Categorical Aid	10-495-034-5120-089	2,280,647.00		7-1-09	6-30-10		
Security Aid	09-495-034-5120-084	440,080.00		7-1-08	6-30-09	(40,666.00)	
Security Aid	10-495-034-5120-084	367,793.00		7-1-09	6-30-10		
Transportation Aid	09-495-034-5120-014	1,243,009.00		7-1-08	6-30-09	(114,861.00)	
Transportation Aid	10-495-034-5120-014	860,252.00		7-1-09	6-30-10		
Other State Aid - Extraordinary Aid	09-100-034-5120-473	356,607.00		7-1-08	6-30-09	(356,607.00)	
Other State Aid - Extraordinary Aid	10-100-034-5120-473	262,932.00		7-1-09	6-30-10		
Other State Aid -							
Non-Public Transportation Aid	N/A	50,159.90		7-1-08	6-30-09	(50,159.90)	
Non-Public Transportation Aid	N/A	60,330.00		7-1-09	6-30-10		
Reimbursed T.P.A.F. Social Security	09-495-034-5095-002	1,761,401.05		7-1-08	6-30-09	(86,496.08)	
Reimbursed T.P.A.F. Social Security	10-495-034-5095-002	1,843,144.90		7-1-09	6-30-10		
Total General Fund						<u>(3,422,285.98)</u>	<u>-</u>
State Grants:							
Capital Projects Fund:							
New Jersey Economic Development Authority Additional State School Building Act- EDA Grants	1030-060-05-1000 SP#0390-020-04-OAEI	921,232.29	\$ 673,088.95	3-1-05	Proj. End	(41,455.45)	
New Jersey Schools Development Authority	SP#0390-020-09-0ZDN	222,418.00	147,582.00	6-4-10	Proj. End		
New Jersey Schools Development Authority	SP#0390-020-09-0ZRC	768,245.00	509,755.00	6-4-10	Proj. End		
New Jersey Schools Development Authority	SP#0390-050-09-0MAI	396,746.00	263,254.00	6-10-09	Proj. End	(159,492.00)	
Total Capital Projects Fund						<u>(200,947.45)</u>	<u>-</u>
Debt Service Fund							
Debt Service Aid	10-495-034-5120-125	1,916,617.00		7-1-09	6-30-10		
Total Debt Service Fund						<u>-</u>	<u>-</u>
Enterprise Fund:							
State School Lunch Program	10-100-010-3350-023	17,702.88		7-1-09	6-30-10		
State School Lunch Program	09-100-010-3350-023	16,836.76		7-1-08	6-30-09	(1,405.10)	
State School Breakfast Program	10-100-010-3350-021	4,818.30		7-1-09	6-30-10		
State School Breakfast Program	09-100-010-3350-021	3,855.50		7-1-08	6-30-09	(395.90)	
Total Enterprise Fund						<u>(1,801.00)</u>	<u>-</u>
Total State Financial Assistance						<u><u>\$ (3,625,034.43)</u></u>	<u><u>\$ -</u></u>

(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, 2010			Memo	
			Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2010	Cumulative Total Expenditures
\$ 2,564,636.00							
21,336,389.00		\$ (24,089,735.00)	\$ (2,753,346.00)			\$ (2,753,346.00)	\$ (24,089,735.00)
208,860.00						-	-
2,019,980.00		(2,280,647.00)	(260,667.00)			(260,667.00)	(2,280,647.00)
40,666.00						-	-
325,756.00		(367,793.00)	(42,037.00)			(42,037.00)	(367,793.00)
114,861.00							
761,929.00		(860,252.00)	(98,323.00)			(98,323.00)	(860,252.00)
356,607.00		(262,932.00)	(262,932.00)			(262,932.00)	(262,932.00)
50,159.90							-
		(60,330.00)	(60,330.00)			(60,330.00)	(60,330.00)
86,496.08							-
1,843,144.90		(1,843,144.90)					(1,843,144.90)
<u>29,709,484.88</u>	<u>-</u>	<u>(29,764,833.90)</u>	<u>(3,477,635.00)</u>	<u>-</u>	<u>-</u>	<u>(3,477,635.00)</u>	<u>(29,764,833.90)</u>
			(41,455.45)			(41,455.45)	(1,594,321.24)
	\$ (222,228.00)	(190.00)	(222,418.00)			(222,418.00)	190.00
	(768,245.00)		(768,245.00)			(768,245.00)	-
	219,448.28	(456,702.28)	(396,746.00)			(396,746.00)	(482,702.28)
<u>-</u>	<u>(771,024.72)</u>	<u>(456,892.28)</u>	<u>(1,428,864.45)</u>	<u>-</u>	<u>-</u>	<u>(1,428,864.45)</u>	<u>(2,076,833.52)</u>
<u>1,916,617.00</u>		<u>(1,916,617.00)</u>					<u>(1,916,617.00)</u>
<u>1,916,617.00</u>	<u>-</u>	<u>(1,916,617.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,916,617.00)</u>
16,257.78		(17,702.88)	(1,445.10)				(17,702.88)
1,405.10							
4,369.50		(4,818.30)	(448.80)				(4,818.30)
395.90							
<u>22,428.28</u>	<u>-</u>	<u>(22,521.18)</u>	<u>(1,893.90)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,521.18)</u>
<u>\$ 31,648,530.16</u>	<u>\$ (771,024.72)</u>	<u>\$ (32,160,864.36)</u>	<u>\$ (4,908,393.35)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,906,499.45)</u>	<u>\$ (33,780,805.60)</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, 2010

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.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$(225,350) for the general fund and \$(39,956.65) 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	\$ 5,423,706.29	\$ 29,764,833.90	\$ 35,188,540.19
Special Revenue	1,888,502.17		1,888,502.17
Capital Projects		456,892.28	456,892.28
Debt Service		1,916,617.00	1,916,617.00
Food Service	<u>490,794.08</u>	<u>22,521.18</u>	<u>513,315.26</u>
	<u>\$ 7,803,002.54</u>	<u>\$ 32,160,864.36</u>	<u>\$ 39,963,866.90</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: ADJUSTMENTS

The amounts reported in the column entitled "Adjustments" either represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2008-2009 or the required adjustment for the presentation of SDA Grants.

Note 6: 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, 2010.

Note 7: 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, 2010**

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

 Material weaknesses identified? yes X no

 Were significant deficiencies identified that were not considered to be a material weakness? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

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))? yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010</u>	<u>Title I</u>
<u>84.389A</u>	<u>ARRA - Title I</u>
<u>84.027</u>	<u>I.D.E.I.A. Part B - Basic Regular</u>
<u>84.391A</u>	<u>ARRA - I.D.E.I.A. Part B - Basic</u>
<u>84.394</u>	<u>ARRA - Education State Grants (ESF)</u>
<u>84.397</u>	<u>ARRA - Education State Grants (GSF)</u>

Dollar threshold used to determine Type A programs \$300,000.00

Auditee qualified as low-risk auditee? X yes no

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

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.

None.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

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, 2010

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

Finding No. 2009-1

Condition

Funds were transferred from the capital reserve account to the capital projects fund prior to signing the SDA grant agreement.

Current Status

Condition resolved.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

