

**RANCOCAS VALLEY REGIONAL  
HIGH SCHOOL DISTRICT  
MOUNT HOLLY, NEW JERSEY**



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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT  
Table of Contents**

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	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	2
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	9
<b>Required Supplementary Information – Part I Management's Discussion and Analysis</b>	14
<b>Basic Financial Statements</b>	
A. District-Wide Financial Statements:	
A-1 Statement of Net Assets	23
A-2 Statement of Activities	24
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	26
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	27
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Proprietary Funds:	
B-4 Statement of Net Assets	29
B-5 Statement of Revenues, Expenses and Changes in Fund Net Assets	30
B-6 Statement of Cash Flows	31
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	32
B-8 Statement of Changes in Fiduciary Net Assets	33
<b>Notes to the Financial Statements</b>	34
<b>Required Supplementary Information – Part II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	56
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual	NA
C-1b Budgetary Comparison Schedule – General Fund – ARRA ESF	65
C-1c Budgetary Comparison Schedule – General Fund – ARRA GSF	66
C-2 Budgetary Comparison Schedule – Special Revenue Fund	67
<b>Notes to the Required Supplementary Information</b>	
C-3 Budgetary Comparison Schedule – Note to RSI	68

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**Table of Contents (Cont'd)**

	<b>Page</b>
<b>Other Supplementary Information</b>	
D. School Level Schedules:	
D-1 Combining Balance Sheet	NA
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	NA
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	NA
E. Special Revenue Fund:	
E-1 Combining Schedule(s) of Revenues and Expenditures Special Revenue Fund – Budgetary Basis	71
E-2 Demonstrably Effective Program Aid Schedule of Expenditures – Budgetary Basis	NA
E-3 Early Childhood Program Aid Schedule of Expenditures – Budgetary Basis	NA
E-4 Distance Learning Network Aid Schedule of Expenditures– Budgetary Basis	NA
E-5 Instructional Supplement Aid Schedule of Expenditures – Budgetary Basis	NA
E-6 Targeted At-Risk Aid (TARA) Schedule of Expenditures – Budgetary Basis	NA
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	74
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis	75
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	76
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Assets	79
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	80
G-3 Combining Statement of Cash Flows	81
Internal Service Fund:	
G-4 Combining Statement of Net Assets	NA
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	NA
G-6 Combining Statement of Cash Flows	NA
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Assets	83
H-2 Combining Statement of Changes in Fiduciary Net Assets	84
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	85
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	86

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**Table of Contents (Cont'd)**

	<b>Page</b>
<b>Other Supplementary Information (Cont'd)</b>	
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	88
I-2 Schedule of Obligations under Capital Leases	89
I-3 Debt Service Fund Budgetary Comparison Schedule	90
 <b>STATISTICAL SECTION (Unaudited)</b> 	
<b>Introduction to the Statistical Section</b>	
<b>Financial Trends</b>	
J-1 Net Assets by Component	93
J-2 Changes in Net Assets	94
J-3 Fund Balances—Governmental Funds	96
J-4 Changes in Fund Balances—Governmental Funds	97
J-5 General Fund Other Local Revenue by Source	99
<b>Revenue Capacity</b>	
J-6 Assessed Value and Actual Value of Taxable Property	100
J-7 Direct and Overlapping Property Tax Rates	101
J-8 Principal Property Taxpayers	102
J-9 Property Tax Levies and Collections	105
<b>Debt Capacity</b>	
J-10 Ratios of Outstanding Debt by Type	108
J-11 Ratios of Net General Bonded Debt Outstanding	109
J-12 Direct and Overlapping Governmental Activities Debt (J-12 A-E)	110
J-13 Computation of Legal Debt Margin (J-13 A-E)	115
<b>Demographic and Economic Information</b>	
J-14 Demographic and Economic Statistics	121
J-15 Principal Employers	122
<b>Operating Information</b>	
J-16 Full-time Equivalent District Employees by Function/Program	125
J-17 Operating Statistics	126
J-18 School Building Information	127
J-19 Schedule of Required Maintenance Expenditures by School Facility	128
J-20 Insurance Schedule	129
 <b>SINGLE AUDIT SECTION</b> 	
K-1 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	11
K-2 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	131
K-3 Schedule of Expenditures of Federal Awards, Schedule A	133
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	135
K-5 Notes to the Schedules of Federal Awards and State Financial Assistance	137
K-6 Schedule of Findings and Questioned Costs	139
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	144

## INTRODUCTORY SECTION

November 30, 2010

Honorable President and  
Members of the Board of Education  
Rancocas Valley Regional High School District  
Mount Holly, New Jersey 08060

Dear Board Members:

The comprehensive annual financial report of the Rancocas Valley Regional High School District for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

The comprehensive annual financial report is presented in four (4) sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the School District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The School District is required to undergo an annual single audit in conformity with the provisions of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

**(1) REPORTING ENTITY AND ITS SERVICES:**

Rancocas Valley Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All major funds of the School District are included in this report.

The School 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 students. The following details the changes in the student enrollment of the School District over the last ten (10) years.

Honorable President and  
Members of the Board of Education

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Students</u>	<u>Percent Change</u>
2009-2010	2175.7	0.83%
2008-2009	2157.7	-3.91%
2007-2008	2245.4	-2.42%
2006-2007	2301.2	4.02%
2005-2006	2212.3	0.59%
2004-2005	2199.3	3.27%
2003-2004	2129.7	3.70%
2002-2003	2053.7	5.54%
2001-2002	1945.9	8.59%
2000-2001	1792.0	3.37%

**(2) ECONOMIC CONDITION AND OUTLOOK:**

The Rancocas Valley community has remained relatively unchanged over the past couple of years. The period of expansion between 1999 and 2007 has slowed and the average daily enrollment has decreased slightly over the past three years.

**(3) MAJOR INITIATIVES:**

85% of the School District's graduates continued their education with specific post secondary plans.

The School District's dropout rate is approximately 2.7%.

**(4) INTERNAL ACCOUNTING CONTROLS:**

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

As a recipient of federal and state financial assistance, the School District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations.

**(5) BUDGETARY CONTROLS:**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. 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 cancelled or are included as appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2010.

Honorable President and  
Members of the Board of Education

**(6) ACCOUNTING SYSTEM AND REPORTS:**

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

**(7) FINANCIAL INFORMATION AT FISCAL YEAR-END:**

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management.

**(8) CASH MANAGEMENT:**

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

**(9) RISK MANAGEMENT:**

The School District carries various forms of insurance, including but not limited to general liability, automobile liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**(10) OTHER INFORMATION:**

**Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was appointed by the School District's Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements, required supplementary information and supplementary information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**(11) ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Rancocas Valley Regional High School Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office staff.

Respectfully Submitted,

  
Michael D. Moskalski  
Superintendent

  
Robert L. Sapp  
Asst. Supt. for Business / Board Secretary

2009-2010

Public Relations

T. Jackson  
Newsletter  
Media Interaction  
News Releases  
Web Page  
RVTV News (daily)  
RVTV Info. Segments

E. Anderson  
Data Processing

**SUPERINTENDENT - MICHAEL D. MOSKALSKI**

D. Paykos

Supervisor of Curriculum and Instruction

Supervising Chairs

Language Arts M. Panter  
Science/Technology R. Maniglia  
Math R. Wence  
P.E. & Health D. Hauth  
Social Studies J. Seal  
World Language J. Holland  
FACS/Fine Arts/Business K. McGovern  
Special Education C. Myers

Professional Development Coordinator

C. Rosenberg  
Media Center  
D. Venuto  
Personnel  
L. Beslow

Assistant Principal W. Booth

Child Study Team  
Special Ed. Instructor  
Crisis Intervention  
Homeless Liaison  
Student Asst. Team  
Nurses  
Fines  
Summer School  
Student Activities  
Event Coverage  
Building Operations

R. Sapp

Assistant Superintendent for Business and Board Secretary

W. Dent  
Facilities Manager

Technology Coordinator  
J. Knorr

M. Happe  
Cafeteria Manager

Assistant Principal

L. Branin

C. Wigley

Athletic Director

A. Lotierzo

Parking

Athletics

Affirmative Action

Trainers

Assistant Principal

Substitutes

Registrar

Attendance

Security

Discipline

Teacher-of-the-Year

Scholarships

Student/Teacher

Handbooks

Final Exams

RV Alternative School

Asst. Affirmative Action Officer

Residency Issues

BCC Alt. H.S. Liaison  
(K. Caputo-Director)

Adult School  
C. Rosenberg

Home Instruction

Rotary Scholarship Prog.

Busses-Field Trips

RVTV

School Messenger-  
Emergency Phone System

Child Care Center

Foundations

Option II Programs

Guidance

Scheduling

504 Compliance

AP Testing

SAT-PSAT Testing

BCC Alternative

K. Caputo High School

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**MOUNT HOLLY, NEW JERSEY 08060**

**ROSTER OF OFFICIALS**

**June 30, 2010**

**MEMBERS OF THE BOARD OF EDUCATION**

**TERM EXPIRES**

Michael R. Cormier, President	2012
Jesse Adams Jr., Vice President	2013
Richard A. Alaimo	2011
Anthony D'Errico	2012
Louis A. Diaz	2011
John R. Edwards	2011
John M. LaPierre	2013
John E. McArthur	2013
Diane J. Solan	2012

**OTHER OFFICIALS**

Dr. Michael D. Moskalski, Superintendent

Robert L. Sapp, Assistant Superintendent for Business/Board Secretary

Lawrence E. Fisher, Treasurer of School Monies

Stephen J. Mushinski, Esq., Solicitor

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**MOUNT HOLLY, NEW JERSEY 08060**

**CONSULTANTS AND ADVISORS**

**JUNE 30, 2010**

**AUDIT FIRM**

Bowman & Company LLP  
6 North Broad Street, Suite 201  
Woodbury, New Jersey 08096

**ATTORNEY**

Parker McCay P.A.  
Stephen J. Mushinski, Esq.  
Three Greentree Centre  
7001 Lincoln Drive West  
P.O. Box 974  
Marlton, New Jersey 08053

**INSURANCE BROKER**

Conner Strong Companies, Inc.  
123 Rosenhayn Avenue  
P.O. Box 358  
Bridgeton, New Jersey 08302

**OFFICIAL DEPOSITORY**

All banks, located within the boundaries of the School District

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Rancocas Valley Regional High School District  
Mount Holly, New Jersey 08060

We have audited the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Rancocas Valley Regional High School District, in the County of Burlington, 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 Rancocas Valley Regional High 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 Rancocas Valley Regional High School District in the County of Burlington, 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 30, 2010 on our consideration of the Rancocas Valley Regional High 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 Rancocas Valley Regional High 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



Henry J. Ludwigsen  
Certified Public Accountant  
Public School Accountant No. CS 001112

Woodbury, New Jersey  
November 30, 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  
Rancocas Valley Regional High School District  
Mount Holly, New Jersey 08060

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated November 30, 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 Rancocas Valley Regional High 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 Rancocas Valley Regional High 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 finance committee, 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



Henry J. Ludwigsen  
Certified Public Accountant  
Public School Accountant No. CS001112

Woodbury, New Jersey  
November 30, 2010

REQUIRED SUPPLEMENTARY INFORMATION  
PART I

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MOUNT HOLLY, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
UNAUDITED

The management's discussion and analysis of Rancocas Valley Regional High School District (RVRHSD) financial performance provides an overall review of the school district's financial activities for the fiscal year ended June 30, 2010. The intent of the discussion and analysis is to look at the school district's financial performance and review the notes to the basic financial statements to enhance the understanding of the school district's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

### FINANCIAL HIGHLIGHTS

Financial Highlights for 2010 fiscal year:

- The total assets of the Rancocas Valley Regional High School District exceeded its liabilities at the close of the most recent fiscal year by \$12,540,565.74 (net assets).
- The Rancocas Valley Regional High School District's total net assets decreased by \$2,610,603.98, from the prior year.
- As of the close of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combined ending fund balances of \$7,855,398.18, a decrease of \$5,156,933.26 in comparison with the prior year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations *in more detail* than the district-wide statements.

## OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

- The *governmental funds* statements tell how basic services like regular and special education were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short and long-term* financial information about the activities the district operates *like businesses*, such as food services and adult education.
- *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.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

### District-wide Statements

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

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

- Increase or decrease in the District's net assets is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health or position of the District, you need to consider additional nonfinancial 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 divided in two categories:

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The District charges fees to cover the costs of certain services such as adult education and food services.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on the significant funds – not the District as a whole. Funds are used by the District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

## Fund Financial Statements (Continued)

The District has three kinds of funds:

- *Government funds* – The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as adult education and food services.
- *Fiduciary funds* – The District is the trustee for assets that belong to others. The student activities funds which include clubs, classes, athletic and scholarship funds are maintained in this fund. The district is responsible for insuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the district-wide financial statements since the district is not permitted to use these assets in the district operation.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 provides a summary of the School District's net assets for 2010 and 2009.

	<b>Table 1</b>	
	<b>Net Assets</b>	
	<u>6/30/10</u>	<u>6/30/09</u>
Current and other assets	\$8,684,807.74	\$13,398,818.77
Capital assets	<u>27,223,159.10</u>	<u>25,852,949.21</u>
<b>Total assets</b>	<b><u>\$ 35,907,966.84</u></b>	<b><u>\$ 39,251,767.98</u></b>
Long-term liabilities	\$21,064,338.54	\$22,420,894.34
Other liabilities	<u>2,303,062.56</u>	<u>1,679,703.92</u>
<b>Total liabilities</b>	<b><u>23,367,401.10</u></b>	<b><u>24,100,598.26</u></b>
Net assets		
Invested in capital assets, net of related debt	4,721,323.15	2,175,220.11
Restricted	8,646,209.29	13,778,521.75
Unrestricted	<u>(826,966.70)</u>	<u>(802,572.14)</u>
<b>Total Net Assets</b>	<b><u>\$12,540,565.74</u></b>	<b><u>\$15,151,169.72</u></b>

Table 2 reflects changes in net assets for 2009 and 2008.

**Table 2**  
**Changes in Net Assets**

<b>Revenues</b>	<b>6/30/10</b>	<b>6/30/09</b>
Program Revenues		
Charges for Services	\$2,223,416.30	\$2,205,470.75
Federal & State categorical Grants	2,671,893.37	2,454,640.16
General revenues		
Property Taxes	15,806,698.00	15,645,201.00
Federal and state grants	13,625,553.88	16,927,299.16
Other	<u>326,548.45</u>	<u>247,445.31</u>
<b>Total Revenues</b>	<b><u>\$34,654,110.00</u></b>	<b><u>\$37,480,056.38</u></b>
<b>Expenses</b>		
Instruction		
Regular	\$10,227,748.53	\$9,784,520.81
Special Education	1,616,906.28	1,408,101.80
Other Instruction	1,059,119.15	1,097,408.86
Student Services		
Tuition	3,943,862.35	3,756,706.59
Student and Instruction Related	3,013,646.39	3,016,823.43
General Administrative Services	524,204.33	545,977.91
School Administrative	1,456,541.96	1,369,316.06
Central Services	531,312.48	572,608.19
Administrative Information Technology	353,623.61	375,199.35
Plant Operations and Maintenance	3,069,578.27	3,075,432.06
Pupil Transportation	1,909,355.33	2,064,380.23
Unallocated Benefits	6,035,074.37	5,254,834.91
Special Schools	1,462,259.36	1,303,293.98
Interest on Long-Term Debt	968,381.30	1,002,704.84
Unallocated Depreciation	174,144.25	183,507.86
Food Service	<u>918,956.02</u>	<u>948,145.86</u>
<b>Total Expenses</b>	<b><u>\$37,264,713.98</u></b>	<b><u>\$35,758,962.74</u></b>
<b>Increase(decrease) in net assets</b>	<b>\$(2,610,603.98)</b>	<b>\$1,721,093.64</b>
<b>Beginning Net Assets</b>	<b>\$15,151,169.72</b>	<b>\$13,430,076.08</b>
<b>Ending Net Assets</b>	<b><u>\$12,540,565.74</u></b>	<b><u>\$15,151,169.72</u></b>

### **Governmental-Type Activities**

In 2009-10 Governmental-Type Activities revenues were \$33,747,306.80 or 97.38% of total revenues. In 2008-09 Governmental-Type Activities revenues were \$36,561,388.31 or 97.55% of total revenues.

In 2009-10 General Revenues-Property Taxes of \$15,806,698.00 made up 46.84% percent, and General Revenues-Federal & State Grants of \$13,585,250.98 made up 40.26% percent of Governmental-Type Activities Revenues. In 2008-09 Property taxes of \$15,645,201.00 made up 42.79% percent, and General Revenues – Federal & State Grants of \$16,927,299.16 made up 46.30% percent of Governmental-Type Activities Revenues.

In 2009-10 the District's Governmental-Type Activities expenditures increased by \$1,534,941.08 or 4.41% percent. The most significant contributor to the higher expenditures was represented by increases in contracted employee salaries and health benefits. In 2008-09 the District's Governmental-Type Activities expenditures increased by \$206,720.82 or 0.60%.

### **Business-Type Activities**

In 2009-10 Business-Type Activities revenues were \$906,803.20 or 2.62% of total revenues. In 2008-09 Business-Type Activities revenues were \$918,668.07 or 2.45% of total revenues.

Charges for Services for Business-Type Activities were \$705,936.24 in 2010 compared to \$750,630.24 in 2009, a 5.95% decrease.

Expenses for Business-Type Activities were \$918,956.02 in 2010 compared to \$948,145.86 in 2009, a 3.08% decrease.

Operating Grants and Contributions for Business-Type Activities were \$199,888.54 in 2010 compared to \$166,672.17 in 2009, a 19.93% increase.

The increase in Operating Grants and Contributions for Business-Type Activities is attributable to an increase in the number of lunch and breakfast meals served during the year that were eligible for reimbursement by the state in comparison with the prior year.

### **General Fund Budgeting Highlights**

During fiscal 2010 school year, the Board of Education amended its general fund budget as needed. The net change in the total budget modification primarily resulted from the rollover of the prior year's encumbrances.

The final budgetary basis revenue estimate was \$33,398,146.00, the original was \$33,278,883.00.

During fiscal year 2010, Rancocas Valley Regional High School District budgeted \$14,913,835.00 and \$17,027,913.00 for property taxes (local tax levy) and state aid revenues, respectively.

The Rancocas Valley Regional High School District also received \$901,819.18 and \$753,751.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

## General Fund Budgeting Highlights (Continued)

The final budgetary basis expenditure appropriation estimate was \$38,662,736.71 compared to the original estimate of \$38,297,293.00.

The Rancocas Valley Regional High School District's expenditures also include reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions of \$901,819.18 and \$753,751.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

## Financial Analysis of the Government's Funds

**Governmental Funds** - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combining ending fund balances of \$7,855,398.18, a decrease of \$5,156,933.26 in comparison with the prior year. \$4,413,746.00 of the decrease was a result of the state reducing aid that was originally budgeted.

Of the combined ending fund balances of \$7,855,398.18, (\$231,573.78) constitutes unreserved fund balance. Of this unreserved fund balance \$472,691.56 is earmarked for capital projects, and the remaining (\$704,265.34) is earmarked for other purposes. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed. For example; to liquidate contracts and purchase orders of the prior period \$183,115.39.

**Proprietary Fund** - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's proprietary fund had \$92,249.33 in unrestricted net assets.

## CAPITAL ASSETS

At the end of fiscal year 2010, RVRHSD had \$27,223,159.10 in capital assets less accumulated depreciation, which include land, school buildings, athletic facilities, computers and equipment and vehicles. Invested in Capital Assets, Net of Related Debt was \$4,721,323.15 at 6/30/10 and \$2,175,220.11 at 6/30/09. Table 3 reflects the capital assets.

**Table 3  
Capital Assets**

<b>Capital Assets (Net of Depreciation)</b>	<b>6/30/10</b>	<b>6/30/09</b>
Land	\$ 1,061,130.00	\$ 1,061,130.00
Buildings	24,966,825.00	23,538,332.73
Equipment and furniture	<u>1,195,204.10</u>	<u>1,253,486.48</u>
<b>Total</b>	<b><u>\$ 27,223,159.10</u></b>	<b><u>\$ 25,852,949.21</u></b>

Depreciation expense was \$914,496.52 the year ended 6/30/10 and \$855,729.49 for the year ended 6/30/09.

## **DEBT ADMINISTRATION**

At June 30, 2010, RVRHSD had \$21,823,000.00 in outstanding bonds. This represents a \$830,000.00 decrease from last year. \$830,000.00 was paid back during 09-10.

At June 30, 2010 RVRHSD had \$1,332,000.00 in capital lease obligations, a decrease of \$333,000.00 from the prior year end.

## **FACTORS ON THE DISTRICT'S FUTURE**

RVRHSD continues to be a sound financial institution. However, the serious growth in average daily enrollment of 2,054 to 2,245 from FY03 to FY08, and the state aids (core curriculum standards aid, transportation aid, special education aid, and bilingual aid) over these years were held flat has had a negative impact to the local taxpayers of this regional district.

RVRHSD has successfully obtained voters support in passing school district budgets, since 1980 only four budgets have been defeated, included the 10-11 budget.

The 2010-11 budget has a General Fund local tax levy of \$15,110,388.00, which is an increase of \$196,553.00 from the 2009-10 budget.

The 2010-11 budget anticipates \$2,054,826.00 less in State aid when compared to the 2009-10 budget.

Any more reduction of state aid and increase in expenditures will put an additional burden on the taxpayers of this regional district.

The District will continue to strive for savings in their budget especially in the areas of general insurance and healthcare benefits. The District continues to purchase electricity and natural gas through statewide consortiums. General school supplies and equipment are also purchased with a statewide purchasing agent.

In conclusion, the Rancocas Valley Regional High School District Board of Education and Administration have committed themselves to financial excellence for many years. The District was titled an "Excess Surplus District" by the State Department of Education. This meant that the District maintained a fund balance "Surplus" greater than the maximum permitted by the State. This excess surplus permitted the Board of Education and Administration to maintain a reasonable and fair tax impact to its community and protected itself from state and federal shortfalls in revenue. The District will continue with sound fiscal management to meet the challenge of the future.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district finances to show the school districts accountability for money it receives. If you questions about this report or need additional information, contact Robert L. Sapp, Assistant Superintendent for Business/Board Secretary at Rancocas Valley Regional High School District, 520 Jacksonville Road, Mount Holly, New Jersey 08060 or email [rsapp@rvrhs.com](mailto:rsapp@rvrhs.com).

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Statement of Net Assets  
June 30, 2010

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 4,867,363.74	\$ 30,145.03	\$ 4,897,508.77
Investments	2,711.14		2,711.14
Receivables, net	1,512,184.57	15,601.68	1,527,786.25
Interfunds Receivable	76,315.99	66,022.59	142,338.58
Inventory		5,218.13	5,218.13
Restricted Assets:			
Restricted Cash and Cash Equivalents	612,394.27		612,394.27
Capital Reserve Account - Cash	1,313,529.71		1,313,529.71
Bond Issuance Costs - Net of Amortization	183,320.89		183,320.89
Capital Assets, net (Note 7)	<u>27,174,682.00</u>	<u>48,477.10</u>	<u>27,223,159.10</u>
Total Assets	<u>35,742,502.31</u>	<u>165,464.53</u>	<u>35,907,966.84</u>
<b>LIABILITIES:</b>			
Accounts Payable	28,912.59	24,738.10	53,650.69
Payable to Federal Government	743.00		743.00
Interfunds Payable	66,022.59		66,022.59
Deferred Revenue	433,423.06		433,423.06
Noncurrent Liabilities (Note 8):			
Due within One Year	1,749,223.22		1,749,223.22
Due beyond One Year	<u>21,064,338.54</u>		<u>21,064,338.54</u>
Total Liabilities	<u>23,342,663.00</u>	<u>24,738.10</u>	<u>23,367,401.10</u>
<b>NET ASSETS:</b>			
Invested in Capital Assets, Net of Related Debt	4,672,846.05	48,477.10	4,721,323.15
Restricted for:			
Capital Projects	1,786,221.27		1,786,221.27
Debt Service	7,943.90		7,943.90
Permanent Endowment - Nonexpendable	78,601.87		78,601.87
Other Purposes	6,773,442.25		6,773,442.25
Unrestricted	<u>(919,216.03)</u>	<u>92,249.33</u>	<u>(826,966.70)</u>
Total Net Assets	<u>\$ 12,399,839.31</u>	<u>\$ 140,726.43</u>	<u>\$ 12,540,565.74</u>

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2010

Functions / Programs Governmental Activities:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Instruction:							
Regular	\$ 10,227,748.53	\$ 315,961.52	\$ 766,550.70	\$ -	\$ (9,145,236.31)	\$ -	\$ (9,145,236.31)
Special Education	1,616,906.28				(1,616,906.28)		(1,616,906.28)
Other Instruction	1,059,119.15				(1,059,119.15)		(1,059,119.15)
Support Services:							
Tuition	3,943,862.35				(3,943,862.35)		(3,943,862.35)
Student and Instruction Related Services	3,013,646.39		49,883.95		(2,963,762.44)		(2,963,762.44)
General Administrative Services	524,204.33				(524,204.33)		(524,204.33)
School Administrative Services	1,456,541.96				(1,456,541.96)		(1,456,541.96)
Central Services	531,312.48				(531,312.48)		(531,312.48)
Administrative Information Technology	353,623.61				(353,623.61)		(353,623.61)
Plant Operations and Maintenance	3,069,578.27				(3,069,578.27)		(3,069,578.27)
Pupil Transportation	1,909,355.33				(1,909,355.33)		(1,909,355.33)
Unallocated Benefits	6,035,074.37		1,655,570.18		(4,379,504.19)		(4,379,504.19)
Special Schools	1,462,259.36	1,201,518.54			(260,740.82)		(260,740.82)
Interest on Long-Term Debt	968,381.30				(968,381.30)		(968,381.30)
Unallocated Depreciation	174,144.25				(174,144.25)		(174,144.25)
<b>Total Governmental Activities</b>	<b>36,345,757.96</b>	<b>1,517,480.06</b>	<b>2,472,004.83</b>	<b>-</b>	<b>(32,356,273.07)</b>	<b>-</b>	<b>(32,356,273.07)</b>
Business-Type Activities:							
Food Service	918,956.02	705,936.24	199,888.54	-		(13,131.24)	(13,131.24)
<b>Total Business-Type Activities</b>	<b>918,956.02</b>	<b>705,936.24</b>	<b>199,888.54</b>	<b>-</b>	<b>-</b>	<b>(13,131.24)</b>	<b>(13,131.24)</b>
<b>Total Primary Government</b>	<b>\$ 37,264,713.98</b>	<b>\$ 2,223,416.30</b>	<b>\$ 2,671,893.37</b>	<b>\$ -</b>	<b>(32,356,273.07)</b>	<b>(13,131.24)</b>	<b>(32,369,404.31)</b>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					14,913,835.00		14,913,835.00
Taxes Levied for Debt Service					892,863.00		892,863.00
Federal and State Aid not Restricted					13,585,250.98		13,585,250.98
Federal and State Aid Restricted					40,302.90		40,302.90
Miscellaneous Income					325,570.03	978.42	326,548.45
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>					<b>29,757,821.91</b>	<b>978.42</b>	<b>29,758,800.33</b>
Change in Net Assets					(2,598,451.16)	(12,152.82)	(2,610,603.98)
Net Assets -- July 1					14,998,290.47	152,879.25	15,151,169.72
Net Assets -- June 30					\$ 12,399,839.31	\$ 140,726.43	\$ 12,540,565.74

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

FUND FINANCIAL STATEMENTS

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Balance Sheet  
Governmental Funds  
June 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ 6,180,893.45		\$ 536,503.54		\$ 75,890.73	\$ 6,793,287.72
Investments					2,711.14	2,711.14
Interfunds Receivable	852,157.10			\$ 47,765.18		899,922.28
Receivables from Other Governments	152,437.63	\$ 1,167,140.42				1,319,578.05
Other - Tuition	192,606.52					192,606.52
<b>Total Assets</b>	<b><u>\$ 7,378,094.70</u></b>	<b><u>\$ 1,167,140.42</u></b>	<b><u>\$ 536,503.54</u></b>	<b><u>\$ 47,765.18</u></b>	<b><u>\$ 78,601.87</u></b>	<b><u>\$ 9,208,105.71</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 26,703.06	\$ 2,209.53				\$ 28,912.59
Payable to Federal Government		743.00				743.00
Interfunds Payable	66,022.59	763,764.83	\$ 47,765.18	\$ 12,076.28		889,628.88
Deferred Revenue	33,000.00	400,423.06				433,423.06
<b>Total Liabilities</b>	<b><u>125,725.65</u></b>	<b><u>1,167,140.42</u></b>	<b><u>47,765.18</u></b>	<b><u>12,076.28</u></b>	<b><u>\$ -</u></b>	<b><u>1,352,707.53</u></b>
<b>Fund Balances:</b>						
<b>Reserved for:</b>						
Encumbrances	183,115.39					183,115.39
Arbitrage Rebate			16,046.80			16,046.80
Legally Restricted -- Designated for Subsequent Year's Expenditures				27,745.00		27,745.00
Capital Reserve Account	1,313,529.71					1,313,529.71
Emergency Reserve Account	382,973.00					382,973.00
Excess Surplus	2,163,562.06					2,163,562.06
Excess Surplus -- Designated for Subsequent Year's Expenditures	4,000,000.00					4,000,000.00
<b>Unreserved, Reported in:</b>						
General Fund	(790,811.11)					(790,811.11)
Capital Projects Fund			472,691.56			472,691.56
Debt Service Fund				7,943.90		7,943.90
Permanent Fund					78,601.87	78,601.87
<b>Total Fund Balances</b>	<b><u>7,252,369.05</u></b>	<b><u>-</u></b>	<b><u>488,738.36</u></b>	<b><u>35,688.90</u></b>	<b><u>78,601.87</u></b>	<b><u>7,855,398.18</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 7,378,094.70</u></b>	<b><u>\$ 1,167,140.42</u></b>	<b><u>\$ 536,503.54</u></b>	<b><u>\$ 47,765.18</u></b>	<b><u>\$ 78,601.87</u></b>	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$ 40,379,293.01, and the accumulated depreciation is \$13,204,611.01.

27,174,682.00

Bond Issuance Costs

183,320.89

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.

(22,813,561.76)

Net assets of governmental activities

\$ 12,399,839.31

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

**RANCOCAS VALLEY REGIONAL HIGH 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	Permanent Fund	Total Governmental Funds
<b>REVENUES:</b>						
Local Tax Levy	\$ 14,913,835.00			\$ 892,863.00		\$ 15,806,698.00
Tuition Charges	1,517,480.06					1,517,480.06
Miscellaneous	307,580.91		\$ 7,943.63			315,524.54
State Sources	11,731,842.18			906,334.00		12,638,176.18
Federal Sources	<u>2,602,644.98</u>	<u>\$ 856,737.55</u>				<u>3,459,382.53</u>
Total Revenues	<u>31,073,383.13</u>	<u>856,737.55</u>	<u>7,943.63</u>	<u>1,799,197.00</u>	<u>\$ -</u>	<u>33,737,261.31</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Regular Instruction	8,839,962.67	766,550.70				9,606,513.37
Special Education Instruction	1,580,363.04					1,580,363.04
Other Instruction	1,059,119.15					1,059,119.15
<b>Support Services and Undistributed Costs:</b>						
Tuition	3,943,862.35					3,943,862.35
Student and Instruction Related Services	2,963,762.44	49,883.95				3,013,646.39
General Administrative Services	524,204.33					524,204.33
School Administrative Services	1,383,455.47					1,383,455.47
Central Services	531,312.48					531,312.48
Administrative Information Technology	353,623.61					353,623.61
Plant Operations and Maintenance	3,069,578.27					3,069,578.27
Pupil Transportation	1,909,355.33					1,909,355.33
Unallocated Benefits	6,056,234.05					6,056,234.05
Special Schools	1,462,259.36					1,462,259.36
<b>Debt Service:</b>						
Principal				830,000.00		830,000.00
Interest and Other Charges				981,274.45		981,274.45
Capital Outlay	<u>975,422.11</u>	<u>40,302.90</u>	<u>1,583,713.40</u>			<u>2,599,438.41</u>
Total Expenditures	<u>34,652,514.66</u>	<u>856,737.55</u>	<u>1,583,713.40</u>	<u>1,811,274.45</u>	<u>-</u>	<u>38,904,240.06</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,579,131.53)</u>	<u>-</u>	<u>(1,575,769.77)</u>	<u>(12,077.45)</u>	<u>-</u>	<u>(5,166,978.75)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
<b>Increase (Decrease) in Market Value of Permanent Fund Investments</b>						
Contributions					728.00	728.00
Operating Transfers In				9,317.49		9,317.49
Operating Transfers Out			(7,943.63)	7,943.63		7,943.63
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>(7,943.63)</u>	<u>7,943.63</u>	<u>10,045.49</u>	<u>10,045.49</u>
Net Change in Fund Balances	(3,579,131.53)	-	(1,583,713.40)	(4,133.82)	10,045.49	(5,156,933.26)
Fund Balance -- July 1	<u>10,831,500.58</u>	<u>-</u>	<u>2,072,451.76</u>	<u>39,822.72</u>	<u>68,556.38</u>	<u>13,012,331.44</u>
Fund Balance -- June 30	<u>\$ 7,252,369.05</u>	<u>\$ -</u>	<u>\$ 488,738.36</u>	<u>\$ 35,688.90</u>	<u>\$ 78,601.87</u>	<u>\$ 7,855,398.18</u>

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

**RANCOCAS VALLEY REGIONAL HIGH 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		\$ (5,156,933.26)
<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	\$ (905,009.14)	
Capital Outlays	<u>2,599,438.41</u>	1,694,429.27
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.		830,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		64,373.15
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 (+).		(30,320.32)
Change in Net Assets of Governmental Activities		<u><u>\$ (2,598,451.16)</u></u>

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Statement of Net Assets  
Proprietary Funds  
June 30, 2010

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 30,145.03
Accounts Receivable:	
State	750.74
Federal	13,616.28
Other	1,234.66
Interfund Receivable	66,022.59
Inventories	<u>5,218.13</u>
Total Current Assets	<u>116,987.43</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	96,941.79
Less Accumulated Depreciation	<u>(48,464.69)</u>
Total Noncurrent Assets	<u>48,477.10</u>
Total Assets	<u>165,464.53</u>
<b>LIABILITIES :</b>	
Current Liabilities:	
Accounts Payable	<u>24,738.10</u>
Total Liabilities	<u>24,738.10</u>
<b>NET ASSETS:</b>	
Invested in Capital Assets, Net of Related Debt	48,477.10
Unrestricted	<u>92,249.33</u>
Total Net Assets	<u>\$ 140,726.43</u>

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2010

	Business-Type Activities - Enterprise Fund
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 204,461.00
Daily Sales - Non-Reimbursable Programs	501,475.24
Total Operating Revenues	705,936.24
OPERATING EXPENSES:	
Salaries	378,435.88
Employee Benefits	84,253.13
Supplies and Materials	32,036.54
Depreciation	9,487.38
Cost of Sales	328,166.83
Uniforms & Laundry	4,974.26
Management Fees	37,213.14
Insurance	13,981.35
Professional Fees	6,500.00
Miscellaneous	23,907.51
Total Operating Expenses	918,956.02
Operating Income (Loss)	(213,019.78)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	6,998.82
State School Breakfast Program	1,573.10
Federal Sources:	
National School Lunch Program	131,097.78
National School Breakfast Program	20,054.84
Food Distribution Program	40,164.00
Interest Revenue	978.42
Total Nonoperating Revenues (Expenses)	200,866.96
Change in Net Assets	(12,152.82)
Net Assets -- July 1	152,879.25
Net Assets -- June 30	\$ 140,726.43

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

**RANCOCAS VALLEY REGIONAL HIGH 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>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 706,940.36
Payments to Employees	(378,435.88)
Payments for Employee Benefits	(84,253.13)
Payments to Suppliers	<u>(429,779.24)</u>
Net Cash Provided by (used for) Operating Activities	<u>(185,527.89)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State and Federal Sources	<u>106,335.69</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>106,335.69</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchase of Capital Assets	<u>(18,268.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities:	<u>(18,268.00)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest and Dividends	<u>978.42</u>
Net Cash Provided by (used for) Investing Activities	<u>978.42</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(96,481.78)
Balances -- July 1	<u>126,626.81</u>
Balances -- June 30	<u>\$ 30,145.03</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	\$ (213,019.78)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	9,487.38
Food Distribution Program	40,164.00
(Increase) Decrease in Accounts Receivable, net	1,004.12
(Increase) Decrease in Inventories	7,370.20
Increase (Decrease) in Accounts Payable	<u>(30,533.81)</u>
Total Adjustments	<u>27,491.89</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (185,527.89)</u>

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2010

	Trust Funds	Agency Funds	
	Unemployment Compensation <u>Trust</u>	Student Activity	Payroll
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 555,505.65	\$ 421,020.22	\$ 211,193.49
Total Assets	<u>555,505.65</u>	<u>421,020.22</u>	<u>211,193.49</u>
<b>LIABILITIES:</b>			
Interfund Payable			\$ 76,315.99
Payable to Student Groups		\$ 421,020.22	
Payroll Deductions and Withholdings			134,933.79
Overdraft - Net Payroll			<u>(56.29)</u>
Total Liabilities	<u>-</u>	<u>\$ 421,020.22</u>	<u>\$ 211,193.49</u>
<b>NET ASSETS:</b>			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 555,505.65</u>		

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Statement of Changes in Fiduciary Net Assets  
 Fiduciary Funds  
 For the Fiscal Year Ended June 30, 2010

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	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 434,587.32
Investment Earnings:	
Interest	1,766.28
Total Additions	436,353.60
DEDUCTIONS:	
Quarterly Contribution Reports	19,383.27
Unemployment Claims	71,240.94
Total Deductions	90,624.21
Change in Net Assets	345,729.39
Net Assets -- July 1	209,776.26
Net Assets -- June 30	\$ 555,505.65

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2010

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Reporting Entity** - The Rancocas Valley Regional High School District (hereafter referred to as the School District") is a Type II district located in the County of Burlington, 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 one high school. The School District has an approximate enrollment at June 30, 2010 of 2,312.

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

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

Rancocas Valley Educational Foundation  
101 Garden Street  
Mount Holly, NJ 08060

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

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

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

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

**District-wide Financial Statements** - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at 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 - Government Services Fund (GSF) 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.

**Permanent Fund** - The permanent fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students. The School District maintains a non-expendable scholarship fund.

**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 Vehicle	4 Years
Heavy Trucks and Vehicle	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.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at 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 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 units shall deposit public funds in public depositories 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 expense, 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 services 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 food service program. Non-operating revenues principally consist of interest income earned on an interest-bearing account.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Non-operating expenses principally include expenses attributable to the School District's food service operations.

**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 may 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 balances of \$ 9,297,422.56 as of June 30, 2010, \$893,184.09 was uninsured and uncollateralized.

**Note 3: INVESTMENTS IN SECURITIES**

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. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

**Note 3: INVESTMENTS IN SECURITIES (CONT'D)**

**Custodial Credit Risk Related to Investments** – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Of the School District's total \$2,711.14 of investments, \$2,711.14 of investments in common stock are uninsured, not registered in the name of the School District, and are held by the counterparty.

As of June 30, 2010, the School District's Permanent Fund had the following investment which was received by donation:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Common Stock	Not applicable	<u>\$ 2,711.14</u>

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in Note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. The School District has no investment policy that would further limit its investment choices.

As of June 30, 2010, the School District's investments had the following ratings:

<u>Investment</u>	<u>Standard &amp; Poor's</u>	<u>Moody's</u>
Common Stock	Not rated	Not rated

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School District's investment policies place no limit on the amount the School District may invest in any one issuer. As of June 30, 2010, 100% of the District's Permanent Fund investment is in common stock of one organization.

**Note 4: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District, by inclusion of amounts in previously adopted budgets, 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 excess 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 4: 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		\$ 1,558,406.13
Increased by:		
Interest Earnings	\$ 4,760.33	
Deposits Transferred by Resolution	<u>400,000.00</u>	
		<u>404,760.33</u>
		1,963,166.46
Decreased by:		
Capital Expenditures		<u>649,636.75</u>
Ending Balance June 30, 2010		<u><u>\$ 1,313,529.71</u></u>

The June 30, 2010 LRFP balance of local support costs of uncompleted projects at June 30, 2010 is \$4,176,031.00. The withdrawals from the capital reserve were for use in a DOE approved facilities projects, consistent with the School District's LRFP.

**Note 5: 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:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Proprietary Funds</b>	<b>Total</b>
Intergovernmental	\$ 152,437.63	\$ 1,167,140.42	\$ 14,367.02	\$ 1,333,945.07
Other	<u>192,606.52</u>	<u>                    </u>	<u>1,234.66</u>	<u>193,841.18</u>
Total	<u><u>\$ 345,044.15</u></u>	<u><u>\$ 1,167,140.42</u></u>	<u><u>\$ 15,601.68</u></u>	<u><u>\$ 1,527,786.25</u></u>

**Note 6: INVENTORY**

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

Food	\$ 2,505.81
Supplies	<u>2,712.32</u>
	<u>\$ 5,218.13</u>

**Note 7: CAPITAL ASSETS**

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

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 1,061,130.00			\$ 1,061,130.00
Total Capital Assets, not being Depreciated	<u>1,061,130.00</u>			<u>1,061,130.00</u>
Capital Assets, being Depreciated:				
Building and Improvements	32,363,774.85	\$ 2,159,357.16		34,523,132.01
Equipment	4,739,603.00	107,081.25	\$ (51,653.25)	4,795,031.00
Total Capital Assets, being Depreciated	<u>37,103,377.85</u>	<u>2,266,438.41</u>	<u>(51,653.25)</u>	<u>39,318,163.01</u>
Less Accumulated Depreciation for:				
Building and Improvements	(8,825,442.12)	(730,864.89)		(9,556,307.01)
Equipment	(3,525,813.00)	(174,144.25)	51,653.25	(3,648,304.00)
Total Accumulated Depreciation	<u>(12,351,255.12)</u>	<u>(905,009.14) *</u>	<u>51,653.25</u>	<u>(13,204,611.01)</u>
Total Capital Assets, being Depreciated, Net	<u>24,752,122.73</u>	<u>1,361,429.27</u>	<u>-</u>	<u>26,113,552.00</u>
Governmental Activities Capital Assets, Net	<u>\$ 25,813,252.73</u>	<u>\$ 1,361,429.27</u>	<u>\$ -</u>	<u>\$ 27,174,682.00</u>
<b>Business-Type Activities:</b>				
Total Capital Assets, being Depreciated:				
Equipment	\$ 111,041.99	\$ 18,268.00	\$ (32,368.20)	\$ 96,941.79
Less Accumulated Depreciation	<u>(71,345.51)</u>	<u>(9,487.38)</u>	<u>32,368.20</u>	<u>(48,464.69)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 39,696.48</u>	<u>\$ 8,780.62</u>	<u>\$ -</u>	<u>\$ 48,477.10</u>

**Note 7: CAPITAL ASSETS (CONT'D)**

\* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 621,235.16
Special Education	36,543.24
School Administrative Services	73,086.49
Unallocated	<u>174,144.25</u>
Total Depreciation Expense	<u>\$ 905,009.14</u>

**Note 8: LONG-TERM OBLIGATIONS**

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

	<u>Outstanding July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2010</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 22,653,000.00		\$ (830,000.00)	\$ 21,823,000.00	\$ 1,050,000.00
Capital Leases	1,665,000.00		(333,000.00)	1,332,000.00	333,000.00
Accrued Interest Payable	440,809.09	\$ 376,435.94	(440,809.09)	376,435.94	376,435.94
Unamortized Amounts:					
Premium on Bonds	176,005.04		(8,381.19)	167,623.85	8,381.19
Loss on Refunding	(1,064,598.10)		50,695.15	(1,013,902.95)	(50,695.14)
Compensated Absences	<u>149,564.60</u>		<u>(21,159.68)</u>	<u>128,404.92</u>	<u>32,101.23</u>
Governmental Activity Long-term Liabilities	<u>\$ 24,019,780.63</u>	<u>\$ 376,435.94</u>	<u>\$ (1,582,654.81)</u>	<u>\$ 22,813,561.76</u>	<u>\$ 1,749,223.22</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.

On February 10, 2005, the School District issued \$20,170,000.00 refunding general obligation bonds at interest rates varying from 3.25% to 4.75% for various construction and renovation projects. The final maturity of these bonds is February 1, 2029. The bonds will be paid from property taxes.

On June 10, 2008, the School District issued \$2,483,000.00 general obligation bonds at interest rates varying from 3.00% to 3.50% for various renovations and improvement projects. The final maturity of these bonds is August 1, 2018. The bonds will be paid from property taxes.

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

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	\$ 1,050,000.00	\$ 900,165.01	\$ 1,950,165.01
2012	1,050,000.00	866,008.76	1,916,008.76
2013	1,055,000.00	825,496.26	1,880,496.26
2014	1,055,000.00	789,065.01	1,844,065.01
2015	1,060,000.00	748,465.01	1,808,465.01
2016-2020	5,643,000.00	3,092,142.55	8,735,142.55
2021-2025	5,560,000.00	1,943,906.30	7,503,906.30
2026-2029	<u>5,350,000.00</u>	<u>593,638.78</u>	<u>5,943,638.78</u>
	<u>\$ 21,823,000.00</u>	<u>\$ 9,758,887.68</u>	<u>\$ 31,581,887.68</u>

**Bonds Authorized But Not Issued** - As of June 30, 2010, the School District had no authorized but not issued bonds.

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

**Capital Leases Payable** – On October 27, 2008 the Rancocas Valley Regional High School District entered into an agreement to purchase an Elementary School Building from the Eastampton Township School District for \$1,665,000.00. The Rancocas Valley Regional High School District will lease the building for five (5) years at \$333,000.00 per year and this rent shall be applied to the purchase price. The lease shall begin on August 15, 2009 and terminated on July 15, 2014. Upon full payment, closing will take place where the Eastampton Township School District will transfer the title of ownership.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 333,000.00	none	\$ 333,000.00
2012	333,000.00	none	333,000.00
2013	333,000.00	none	333,000.00
2014	<u>333,000.00</u>	<u>none</u>	<u>333,000.00</u>
	<u>\$ 1,332,000.00</u>	<u>\$ -</u>	<u>\$ 1,332,000.00</u>

**Note 9: OPERATING LEASES**

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

<b>Fiscal Year</b>	
<b><u>Ending June 30,</u></b>	<b><u>Amount</u></b>
2011	\$ 103,995.32
2012	91,959.48
2013	<u>30,653.16</u>
	<u>\$ 226,607.96</u>

Rental payments under operating leases for the fiscal year ended June 30, 2010 were \$128,067.00.

**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 on 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 begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

**Note 10: PENSION PLANS (CONT'D)**

**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 begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The School District's contribution, equal to the required contribution for each fiscal year, was 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 District</u>
2010	\$ 108,102.00	\$ 105,478.00	\$ 213,580.00	-	\$ 213,580.00
2009	98,737.00	90,059.00	188,796.00	-	188,796.00
2008	106,501.00	82,074.00	188,575.00	\$ 37,715.00	150,860.00

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pension and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. 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. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District had no participants in this program as of June 30, 2010.

**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 retired from a school district 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 post-retirement costs related to TPAF. The amount recognized as revenue and expenditure was \$753,751.00.

**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.

**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 years:

<u>Year Ending June 30,</u>	<u>District Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ 400,000.00	\$ 71,240.94	\$ 555,505.65
2009	None	50,940.58	209,776.26
2008	None	51,196.40	230,842.22

**Note 14: DEFERRED COMPENSATION**

The School District offers its employees a choice of five deferred compensation plans created in accordance with Internal Revenue Code Section 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:

*Metropolitan  
Equitable  
Midland  
Lincoln Investment  
The Faller Company*

**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. Up to five vacation days not used during the year may be accumulated and carried forward with the approval of the Superintendent. The sum of \$20,000 is allocated in each fiscal year to pay claims for unused accumulated sick leave. The maximum amount the District will pay in any fiscal year is \$20,000. Any claims in excess of the maximum amount would then be the first claim paid in the subsequent fiscal year.

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 fund types was \$128,404.92. As of June 30, 2010, no liability existed for compensated absences in the proprietary fund types.

**Note 16: RESERVE FOR ARBITRAGE REBATE**

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined as ending on the anniversary date of bond settlement.

In fiscal year 2005, the School District remitted \$74,300.00 to the Internal Revenue Service. The School District deferred \$8,173.49 which is a potential liability depending on a future calculation to be made when the project is completed. The School District has established a Reserve for Arbitrage in the amount of \$16,046.80 in case a rebate is required as a result of the occurrence of future events.

**Note 17: INTERFUND BALANCES AND TRANSFERS**

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 852,157.10	\$ 66,022.59
Special Revenue		763,764.83
Capital		47,765.18
Debt Service	47,765.18	12,076.28
Enterprise	66,022.59	
Fiduciary		76,315.99
	<u>\$ 965,944.87</u>	<u>\$ 965,944.87</u>

**Note 18: DEFICIT FUND BALANCES**

The School District has a deficit fund balance of (\$790,811.11) in the General Fund as of June 30, 2010 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

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 (\$790,811.11) 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 \$919,216.03 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:

**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, \$183,115.39 has been reserved for this purpose.

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

**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 at June 30, 2010 is \$2,163,562.06. Additionally, \$4,000,000.00 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 \$1,313,529.71. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Emergency Reserve** - As of June 30, 2010, the balance in the emergency reserve is \$382,973.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

**UNRESERVED**

**General Fund** - Of the (\$790,811.11) unreserved General Fund deficit balance at June 30, 2010, none has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2011 and (\$790,811.11) deficit is undesignated.

**Debt Service Fund** - Of the \$35,688.90 unreserved Debt Service Fund balance at June 30, 2010, \$27,745.00 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2010 and \$7,943.90 is 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

**RANCOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 14,913,835.00		\$ 14,913,835.00	\$ 14,913,835.00	
Tuition	1,270,370.00		1,270,370.00	1,517,480.06	\$ 247,110.06
Interest Earned on Capital Reserve Funds	10,000.00		10,000.00	4,760.33	(5,239.67)
Unrestricted Miscellaneous Revenues	150,000.00	\$ 13,480.00	163,480.00	302,820.58	139,340.58
<b>Total - Local Sources</b>	<b>16,344,205.00</b>	<b>13,480.00</b>	<b>16,357,685.00</b>	<b>16,738,895.97</b>	<b>381,210.97</b>
State Sources:					
Extraordinary Aid	36,476.00		36,476.00	94,673.00	58,197.00
Categorical Special Education Aid	1,187,269.00		1,187,269.00	1,187,269.00	
Equalization Aid	14,309,343.00	(2,596,374.00)	11,712,969.00	7,827,002.00	(3,885,967.00)
Categorical Security Aid	212,878.00		212,878.00	138,371.00	(74,507.00)
Adjustment Aid	256,401.00		256,401.00	166,661.00	(89,740.00)
Categorical Transportation Aid	919,763.00		919,763.00	597,846.00	(321,917.00)
Aid for Adult and Post-Graduate Programs		105,783.00	105,783.00	64,168.00	(41,615.00)
Non-Public School Transportation Costs				12,886.00	12,886.00
On-Behalf TPAF Pension Contributions (non-budgeted)				753,751.00	753,751.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				901,819.18	901,819.18
<b>Total - State Sources</b>	<b>16,922,130.00</b>	<b>(2,490,591.00)</b>	<b>14,431,539.00</b>	<b>11,744,446.18</b>	<b>(2,687,092.82)</b>
Federal Sources:					
Semi-Medicaid	12,548.00		12,548.00	6,270.98	(6,277.02)
Equalization Aid - ARRA Stabilization Funds					
ESF		2,499,610.00	2,499,610.00	2,499,610.00	
GSF		96,764.00	96,764.00	96,764.00	
<b>Total - Federal Sources</b>	<b>12,548.00</b>	<b>2,596,374.00</b>	<b>2,608,922.00</b>	<b>2,602,644.98</b>	<b>(6,277.02)</b>
<b>Total Revenues</b>	<b>33,278,883.00</b>	<b>119,263.00</b>	<b>33,398,146.00</b>	<b>31,085,987.13</b>	<b>(2,312,158.87)</b>
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	7,777,531.00		7,777,531.00	7,412,486.84	365,044.16
Other Grades 9-12 Purchased Professional Services		31,000.00	31,000.00	20,787.57	10,212.43
Regular Programs - Home Instruction:					
Salaries of Teachers	47,000.00	(7,000.00)	40,000.00	25,884.01	14,115.99
Purchased Professional Educational Services	31,000.00	(31,000.00)			
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 Series)	163,000.00		163,000.00	158,270.52	4,729.48
General Supplies	1,029,272.00	65,978.20	1,095,250.20	888,319.57	206,930.63
Textbooks	381,000.00	(17,495.40)	363,504.60	296,950.27	66,554.33
Other Objects	70,000.00	(732.00)	69,268.00	37,263.89	32,004.11
<b>Total Regular Programs</b>	<b>9,498,803.00</b>	<b>40,750.80</b>	<b>9,539,553.80</b>	<b>8,839,962.67</b>	<b>699,591.13</b>

(Continued)

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Current Expense (Contd):					
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	\$ 56,900.00	\$ 24.96	\$ 56,900.00	\$ 56,409.00	\$ 491.00
General Supplies	5,250.00		5,274.96	3,238.59	2,036.37
<b>Total Behavioral Disabilities</b>	<b>62,150.00</b>	<b>24.96</b>	<b>62,174.96</b>	<b>59,647.59</b>	<b>2,527.37</b>
Multiple Disabilities:					
Salaries of Teachers	110,450.00		110,450.00	108,833.70	1,616.30
Other Salaries for Instruction	92,800.00		92,800.00	92,239.43	560.57
Purchased Professional Educational Services	58,500.00		58,500.00	46,470.00	12,030.00
General Supplies	12,400.00		12,400.00	8,769.10	3,630.90
<b>Total Multiple Disabilities</b>	<b>274,150.00</b>	<b>-</b>	<b>274,150.00</b>	<b>256,312.23</b>	<b>17,837.77</b>
Resource Room / Resource Center:					
Salaries of Teachers	1,113,000.00	25,100.00	1,138,100.00	1,125,311.28	12,788.72
Other Salaries for Instruction	22,000.00	(10,000.00)	12,000.00		12,000.00
General Supplies	66,040.00	9,800.00	75,840.00	60,233.06	15,606.94
Textbooks	5,675.00	-	5,675.00	2,015.37	3,659.63
Other Objects	2,000.00	2,500.00	4,500.00	1,371.75	3,128.25
<b>Total Resource Room / Resource Center</b>	<b>1,208,715.00</b>	<b>27,400.00</b>	<b>1,236,115.00</b>	<b>1,188,931.46</b>	<b>47,183.54</b>
Home Instruction:					
Salaries of Teachers	49,000.00	(500.00)	48,500.00	48,453.76	46.24
Purchased Professional Educational Services	18,000.00	13,000.00	31,000.00	27,018.00	3,982.00
<b>Total Home Instruction</b>	<b>67,000.00</b>	<b>12,500.00</b>	<b>79,500.00</b>	<b>75,471.76</b>	<b>4,028.24</b>
<b>Total Special Education - Instruction</b>	<b>1,612,015.00</b>	<b>39,924.96</b>	<b>1,651,939.96</b>	<b>1,580,363.04</b>	<b>71,576.92</b>
School Sponsored Co-curricular Activities - Instruction:					
Salaries	213,000.00		213,000.00	203,405.20	9,594.80
Purchased Services (300-500 series)	26,000.00	3,428.00	29,428.00	21,496.07	7,931.93
Supplies and Materials	216,550.00	12,082.74	228,632.74	160,534.99	68,097.75
<b>Total School Sponsored Co-curricular Activities - Instruction</b>	<b>455,550.00</b>	<b>15,510.74</b>	<b>471,060.74</b>	<b>385,436.26</b>	<b>85,624.48</b>

(Continued)

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
<b>Current Expense (Contd):</b>					
School Sponsored Athletics - Instruction:					
Salaries	\$ 422,000.00		\$ 422,000.00	\$ 413,915.12	\$ 8,084.88
Purchased Services (300-500 series)	65,700.00		65,700.00	50,933.68	14,766.32
Supplies and Materials	212,121.00	\$ 7,124.72	219,245.72	121,009.32	98,236.40
Other Objects	136,622.00		136,622.00	87,824.77	48,797.23
<b>Total School Sponsored Athletics - Instruction</b>	<b>836,443.00</b>	<b>7,124.72</b>	<b>843,567.72</b>	<b>673,682.89</b>	<b>169,884.83</b>
<b>Total Instruction</b>	<b>12,402,811.00</b>	<b>103,311.22</b>	<b>12,506,122.22</b>	<b>11,479,444.86</b>	<b>1,026,677.36</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	140,000.00		140,000.00	118,341.90	21,658.10
Tuition to County Voc. School Dist. - Regular	311,850.00	11,550.00	323,400.00	323,400.00	
Tuition to County Voc. School Dist. - Special	191,730.00	(43,550.00)	148,180.00	127,050.00	21,130.00
Tuition to CSSD and Reg. Day Schools	2,550,000.00	(150,000.00)	2,400,000.00	1,736,596.52	663,403.48
Tuition to Private Schools for the Disabled - Within State	1,275,000.00	298,686.22	1,573,686.22	1,539,271.79	34,414.43
Tuition to Priv Sch Disabled & Oth LEAs-Spl, O/S St	56,000.00	21,346.14	77,346.14	4,220.14	73,126.00
Tuition - State Facilities	94,982.00		94,982.00	94,982.00	
<b>Total Undistributed Expenditures - Instruction</b>	<b>4,619,562.00</b>	<b>138,032.36</b>	<b>4,757,594.36</b>	<b>3,943,862.35</b>	<b>813,732.01</b>
Undistributed Expenditures - Attendance and Social Work:					
Salaries	111,500.00		111,500.00	108,732.73	2,767.27
Purchased Professional and Technical Services	6,500.00		6,500.00	3,092.50	3,407.50
Supplies and Materials	3,300.00		3,300.00	2,948.86	351.14
<b>Total Undistributed Expenditures - Attendance and Social Work</b>	<b>121,300.00</b>	<b>-</b>	<b>121,300.00</b>	<b>114,774.09</b>	<b>6,525.91</b>
Undistributed Expenditures - Health Services:					
Salaries	231,000.00		231,000.00	209,572.75	21,427.25
Purchased Professional and Technical Services	40,000.00		40,000.00	31,855.00	8,145.00
Supplies and Materials	25,000.00	1,000.00	26,000.00	23,380.77	2,619.23
<b>Total Undistributed Expenditures - Health Services</b>	<b>296,000.00</b>	<b>1,000.00</b>	<b>297,000.00</b>	<b>264,808.52</b>	<b>32,191.48</b>

(Continued)

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Current Expense (Contd):					
Undist Expend - Other Supp Serv Student-Related Serv:					
Purchased Professional - Educational Services	\$ 115,000.00	\$ 46,000.00	\$ 161,000.00	\$ 160,801.93	\$ 198.07
Supplies and Materials	6,850.00		6,850.00	2,384.50	4,465.50
<b>Total Undist Expend-Other Supp Serv Students-Related Serv.</b>	<b>121,850.00</b>	<b>46,000.00</b>	<b>167,850.00</b>	<b>163,186.43</b>	<b>4,663.57</b>
Undist Expend. - Other Supp Serv Students-Reg:					
Salaries of Other Professional Staff	788,600.00		788,600.00	733,912.36	54,687.64
Supplies and Materials	37,400.00		37,400.00	27,163.63	10,236.37
Other Objects	400.00		400.00	90.00	310.00
<b>Total Undist Expend - Other Supp Serv Students-Reg</b>	<b>826,400.00</b>	<b>-</b>	<b>826,400.00</b>	<b>761,165.99</b>	<b>65,234.01</b>
Undist Expend - Other Supp Serv Students-Spl:					
Salaries of Other Professional Staff	452,400.00		452,400.00	452,275.98	124.02
Purchased Professional - Educational Services	20,000.00		20,000.00	3,560.00	16,440.00
Supplies and Materials	26,050.00		26,050.00	14,410.48	11,639.52
Other Objects	2,500.00		2,500.00	1,828.00	672.00
<b>Total Undist Expend - Other Supp Serv Students-Spl</b>	<b>500,950.00</b>	<b>-</b>	<b>500,950.00</b>	<b>472,074.46</b>	<b>28,875.54</b>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	725,000.00	1,075.00	726,075.00	726,075.00	-
<b>Total Undist Expend - Improvement of Inst Serv</b>	<b>725,000.00</b>	<b>1,075.00</b>	<b>726,075.00</b>	<b>726,075.00</b>	<b>-</b>
Undist Expend - Edu Media Serv/Sch Library:					
Salaries	278,500.00		278,500.00	266,290.26	12,209.74
Purchased Professional and Technical Services	15,000.00		15,000.00	14,742.00	258.00
Supplies and Materials	130,450.00	584.31	131,034.31	100,631.83	30,402.48
<b>Total Undist Expend Edu Media Serv/Sch Library</b>	<b>423,950.00</b>	<b>584.31</b>	<b>424,534.31</b>	<b>381,664.09</b>	<b>42,870.22</b>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Current Expense (Contd):					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 42,400.00	\$ 8,100.00	\$ 50,500.00	\$ 50,489.50	\$ 10.50
Purchased Professional - Educational Services	49,000.00	(40,000.00)	9,000.00	4,862.75	4,137.25
Other Purchased Services (400 - 500 Series)	37,000.00	2,035.00	39,035.00	24,661.61	14,373.39
<b>Total Undist Expend - Instructional Staff Training Serv</b>	<b>128,400.00</b>	<b>(29,865.00)</b>	<b>98,535.00</b>	<b>80,013.86</b>	<b>18,521.14</b>
Undist Expend - Support Serv - Gen Admin:					
Salaries	334,800.00		334,800.00	332,964.53	1,835.47
Legal Services	85,000.00		85,000.00	64,194.07	20,805.93
Audit Fees	46,000.00		46,000.00	44,500.00	1,500.00
Communications / Telephone	106,000.00	623.20	106,623.20	43,416.54	63,206.66
BOE Other Purchased Services	6,700.00		6,700.00	1,100.00	5,600.00
BOE In-House Training/Meeting Supplies	1,500.00		1,500.00	1,147.00	353.00
Miscellaneous Expenditures	24,000.00	160.78	24,160.78	18,213.05	5,947.73
BOE Membership Dues and Fees	28,000.00		28,000.00	18,669.14	9,330.86
<b>Total Undist Expend - Support Serv - Gen Admin</b>	<b>632,000.00</b>	<b>783.98</b>	<b>632,783.98</b>	<b>524,204.33</b>	<b>108,579.65</b>
Undist Expend - Support Serv - School Admin:					
Salaries of Principals / Assistant Principals	319,300.00	2,100.00	321,400.00	321,375.13	24.87
Salaries of Other Professional Staff	461,700.00	(2,100.00)	459,600.00	408,636.66	50,963.34
Salaries of Secretarial and Clerical Assistants	627,700.00		627,700.00	603,303.78	24,396.22
Supplies and Materials	42,800.00	(1,000.00)	41,800.00	35,004.90	6,795.10
Other Objects	17,000.00		17,000.00	15,135.00	1,865.00
<b>Total Undist Expend - Support Serv - School Admin</b>	<b>1,468,500.00</b>	<b>(1,000.00)</b>	<b>1,467,500.00</b>	<b>1,383,455.47</b>	<b>84,044.53</b>
Undistributed Expenditures - Central Services:					
Salaries	374,100.00	(15,500.00)	358,600.00	358,431.06	168.94
Purchased Professional Services	47,500.00	(2,895.00)	44,605.00	12,993.75	31,611.25
Supplies and Materials	142,000.00	911.53	142,911.53	34,129.68	108,781.85
Interest on Lease Purchase Agreements	5,200.00		5,200.00		5,200.00
Other Object	181,000.00	1,498.32	182,498.32	125,757.99	56,740.33
<b>Total Undistributed Expenditures - Central Services</b>	<b>749,800.00</b>	<b>(15,985.15)</b>	<b>733,814.85</b>	<b>531,312.48</b>	<b>202,502.37</b>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Current Expense (Contd):					
Undistributed Expenditures - Admin Info Technology:					
Salaries	\$ 271,400.00		\$ 271,400.00	\$ 270,703.22	\$ 696.78
Purchased Technical Services	76,800.00		76,800.00	38,440.00	38,360.00
Supplies and Materials	45,400.00	\$ 8,565.74	53,965.74	44,480.39	9,485.35
<b>Total Undistributed Expenditures - Admin Info Technology</b>	<b>393,600.00</b>	<b>8,565.74</b>	<b>402,165.74</b>	<b>353,623.61</b>	<b>48,542.13</b>
Undist Expend - Required Maint for Sch Faci:					
Salaries	340,000.00	5,000.00	345,000.00	344,949.35	50.65
Cleaning, Repair and Maintenance Services	339,000.00	15,852.80	354,852.80	199,942.96	154,909.84
General Supplies	137,000.00	1,279.73	138,279.73	128,854.00	9,425.73
<b>Total Undist Expend - Required Maint for Sch Faci</b>	<b>816,000.00</b>	<b>22,132.53</b>	<b>838,132.53</b>	<b>673,746.31</b>	<b>164,386.22</b>
Undist Expend - Oth Oper & Maint of Plant:					
Salaries	969,000.00		969,000.00	894,555.84	74,444.16
Purchased Professional and Technical Services	381,000.00	1,043.89	382,043.89	352,349.38	29,694.51
Cleaning, Repair and Maintenance Services	197,000.00	9,200.00	206,200.00	123,301.53	82,898.47
Other Purchased Property Services	165,000.00		165,000.00	83,016.73	81,983.27
Insurance	211,000.00		211,000.00	163,311.00	47,689.00
General Supplies	200,000.00		200,000.00	54,979.71	145,020.29
Energy (Heat and Electricity)	920,000.00	18,971.33	938,971.33	685,748.43	253,222.90
Other Objects	48,500.00		48,500.00	38,569.34	9,930.66
<b>Total Undist Expend - Oper &amp; Maint of Plant</b>	<b>3,091,500.00</b>	<b>29,215.22</b>	<b>3,120,715.22</b>	<b>2,395,831.96</b>	<b>724,883.26</b>
Undistributed Expenditures - Student Transportation Services:					
Management Fee - ESC & STSA Trans. Programs	50,000.00	(1,500.00)	48,500.00	2,386.80	46,113.20
Contr. Serv. Aid in Lieu of Payments - Non Public Sch	77,700.00		77,700.00	48,620.00	29,080.00
Contracted Services - (Between Home and School) - Vendors	948,000.00		948,000.00	938,516.57	9,483.43
Contr. Serv. - (Other than Between Home and School) - Vendors	287,900.00		287,900.00	156,714.87	131,185.13
Contracted Services (Special Education Students) - Vendors	50,300.00		50,300.00	37,501.20	12,798.80
Contracted Services (Special Education Students) - Joint Agrmnts.	75,000.00		75,000.00	8,119.00	66,881.00
Contracted Services (Regular Students) - ESC's & CTSA's	104,000.00	1,500.00	105,500.00	103,418.60	2,081.40
Contracted Services (Special Ed. Students) - ESC's & CTSA's	820,000.00		820,000.00	614,078.29	205,921.71
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>2,412,900.00</b>	<b>-</b>	<b>2,412,900.00</b>	<b>1,909,355.33</b>	<b>503,544.67</b>

(Continued)

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Current Expense (Contd):					
Unallocated Benefits:					
Social Security Contributions	\$ 345,000.00		\$ 345,000.00	\$ 335,214.31	\$ 9,785.69
Other Retirement Contributions - Regular	271,000.00		271,000.00	220,843.41	50,156.59
Workment's Compensation	242,000.00		242,000.00	180,718.00	61,282.00
Health Benefits	4,650,000.00	\$ (35,775.00)	4,614,225.00	3,592,261.24	1,021,963.76
Tuition Reimbursement	60,000.00		60,000.00	48,356.98	11,643.02
Other Employee Benefits	36,000.00	21,000.00	57,000.00	23,269.93	33,730.07
<b>Total Unallocated Benefits</b>	<b>5,604,000.00</b>	<b>(14,775.00)</b>	<b>5,589,225.00</b>	<b>4,400,663.87</b>	<b>1,188,561.13</b>
On-Behalf TPAF Pension Contributions (non budgeted)				753,751.00	(753,751.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				901,819.18	(901,819.18)
<b>Total On-behalf Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,655,570.18</b>	<b>(1,655,570.18)</b>
<b>Total Undistributed Expenditures</b>	<b>22,931,712.00</b>	<b>185,763.99</b>	<b>23,117,475.99</b>	<b>20,735,388.33</b>	<b>2,382,087.66</b>
<b>Total Current Expense</b>	<b>35,334,523.00</b>	<b>289,075.21</b>	<b>35,623,598.21</b>	<b>32,214,833.19</b>	<b>3,408,765.02</b>
Capital Outlay:					
Interest Deposit to Capital Reserve	10,000.00		10,000.00		10,000.00
Equipment					
Grades 9-12	70,100.00	20,388.50	90,488.50	49,077.35	41,411.15
School-Sponsored and Other Instructional Program	23,000.00		23,000.00	18,678.00	4,322.00
<b>Total Equipment</b>	<b>93,100.00</b>	<b>20,388.50</b>	<b>113,488.50</b>	<b>67,755.35</b>	<b>45,733.15</b>
Facilities Acquisition and Construction Services:					
Construction Services	1,055,000.00		1,055,000.00	574,666.76	480,333.24
Lease Purchase Agreement - Principal	333,000.00		333,000.00	333,000.00	
<b>Total Facilities Acquisition and Construction Services</b>	<b>1,388,000.00</b>	<b>-</b>	<b>1,388,000.00</b>	<b>907,666.76</b>	<b>480,333.24</b>
<b>Total Capital Outlay</b>	<b>1,491,100.00</b>	<b>20,388.50</b>	<b>1,511,488.50</b>	<b>975,422.11</b>	<b>536,066.39</b>
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	83,300.00	5,000.00	88,300.00	86,020.00	2,280.00
<b>Total Summer School - Instruction</b>	<b>83,300.00</b>	<b>5,000.00</b>	<b>88,300.00</b>	<b>86,020.00</b>	<b>2,280.00</b>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Special Schools (Cont'd):					
Summer School - Support Services:	\$ 2,000.00	\$ (2,000.00)	\$ -	\$ -	\$ -
Other Objects	2,000.00	(2,000.00)	-	-	-
Total Summer School - Support Services	2,000.00	(2,000.00)	-	-	-
Other Special Schools - Instruction:					
Salaries of Teachers	99,000.00	11,750.00	110,750.00	110,714.15	35.85
Purchased Professional and Technical Services	973,410.00	31,670.00	1,005,080.00	1,005,079.72	0.28
General Supplies	15,260.00	(4,150.00)	11,110.00	11,071.83	38.17
Total Other Special Schools - Instruction	1,087,670.00	39,270.00	1,126,940.00	1,126,865.70	74.30
Other Special Schools - Support Services:					
Personal Services Employee Benefits	5,000.00		5,000.00	5,000.00	
Other Purchased Service (400-500 series)	14,500.00	4,730.00	19,230.00	19,009.58	220.42
Supplies and Materials	2,000.00	2,130.00	4,130.00	2,911.38	1,218.62
Other Objects	1,200.00	6,850.00	8,050.00	7,044.85	1,005.15
Total Other Special Schools - Support Services	22,700.00	13,710.00	36,410.00	33,965.81	2,444.19
Accredited Evening / Adult High School - Instruction:					
Salaries of Teachers	87,500.00		87,500.00	62,475.04	25,024.96
General Supplies	2,000.00		2,000.00	1,548.73	451.27
Textbooks	2,000.00		2,000.00	1,987.01	12.99
Other Objects	750.00		750.00	750.00	
Total Accredited Evening / Adult High School - Instruction	92,250.00	-	92,250.00	66,010.78	26,239.22
Accredited Evening / Adult High School - Support Services:					
Salaries - Secretaries	28,000.00		28,000.00	26,940.00	1,060.00
Salaries - Administration	46,000.00		46,000.00	46,000.00	
Support Services Cost Center	12,000.00		12,000.00	4,721.15	7,278.85
Other Objects	2,500.00		2,500.00	2,180.00	320.00
Total Accredited Evening / Adult High School - Support Services	88,500.00	-	88,500.00	79,841.15	8,658.85
Adult Education - Local - Instruction:					
Salaries of Teachers	34,000.00		34,000.00	33,809.50	190.50
Purchased Professional and Technical Services	18,000.00		18,000.00	11,101.20	6,898.80
General Supplies	2,500.00		2,500.00	2,492.51	7.49
Textbooks	2,500.00		2,500.00	378.52	2,121.48
Other Object	5,500.00		5,500.00	3,703.69	1,796.31
Total Adult Education - Local - Instruction	62,500.00	-	62,500.00	51,485.42	11,014.58

(Continued)

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>EXPENDITURES (CONTD):</b>					
Special Schools (Cont'd):					
Adult Education - Local - Support Services:					
Salaries	\$ 12,950.00	\$	12,950.00	\$ 8,366.50	\$ 4,583.50
Other Purchased Services (400-500 series)	250.00		250.00		250.00
Other Objects	12,000.00		12,000.00	9,704.00	2,296.00
<b>Total Adult Education - Local - Support Services</b>	<b>25,200.00</b>	<b>\$ -</b>	<b>25,200.00</b>	<b>18,070.50</b>	<b>7,129.50</b>
Vocational Evening - Local - Instruction					
Salaries of Teachers	7,550.00		7,550.00		7,550.00
<b>Total Vocational Evening - Local - Instruction</b>	<b>7,550.00</b>	<b>-</b>	<b>7,550.00</b>	<b>-</b>	<b>7,550.00</b>
<b>Total Special Schools</b>	<b>1,471,670.00</b>	<b>55,980.00</b>	<b>1,527,650.00</b>	<b>1,462,259.36</b>	<b>65,390.64</b>
<b>Total Expenditures</b>	<b>38,297,293.00</b>	<b>365,443.71</b>	<b>38,662,736.71</b>	<b>34,652,514.66</b>	<b>4,010,222.05</b>
<b>Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,018,410.00)	(246,180.71)	(5,264,590.71)	(3,566,527.53)	1,698,063.18
Fund Balances, July 1	12,340,729.58		12,340,729.58	12,340,729.58	
Fund Balances, June 30	\$ 7,322,319.58	\$ -	\$ 7,076,138.87	\$ 8,774,202.05	\$ 1,698,063.18
<b>Recapitulation:</b>					
Reserve for Encumbrances			\$	183,115.39	
Capital Reserve				1,313,529.71	
Emergency Reserve				382,973.00	
Reserve for Excess Surplus				2,163,562.06	
Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures				4,000,000.00	
Unrestricted Fund Balance				731,021.89	
				8,774,202.05	
Reconciliation to Governmental Funds Statements (GAAP):				(1,521,833.00)	
June State Aid Payments not recognized on GAAP basis					
<b>Fund Balance per Governmental Funds (GAAP)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>7,252,369.05</b>	

**RANOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Federal Sources:					
Equalization Aid - ARRA ESF	\$ -	\$ 2,499,610.00	\$ 2,499,610.00	\$ 2,499,610.00	-
<b>Total - Federal Sources</b>	-	2,499,610.00	2,499,610.00	2,499,610.00	-
<b>Total Revenues</b>	-	2,499,610.00	2,499,610.00	2,499,610.00	-
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers	-	2,499,610.00	2,499,610.00	2,499,610.00	-
Grades 9-12					
<b>Total Regular Programs - Instruction</b>		2,499,610.00	2,499,610.00	2,499,610.00	
<b>Total Current Expense</b>		2,499,610.00	2,499,610.00	2,499,610.00	
<b>Total Expenditures</b>		2,499,610.00	2,499,610.00	2,499,610.00	
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>					
Fund Balances, July 1					
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**RANCOCAS VALLEY REGIONAL HIGH 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 Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Equalization Aid - ARRA GSF		\$ 96,764.00	\$ 96,764.00	\$ 96,764.00	
Total - Federal Sources	-	96,764.00	96,764.00	96,764.00	-
Total Revenues	-	96,764.00	96,764.00	96,764.00	-
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers					
Grades 9-12		96,764.00	96,764.00	96,764.00	
Total Regular Programs - Instruction		96,764.00	96,764.00	96,764.00	
Total Current Expense		96,764.00	96,764.00	96,764.00	
Total Expenditures		96,764.00	96,764.00	96,764.00	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					
Fund Balances, July 1					
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>REVENUES:</b>					
Federal Sources:					
Title I	\$ 56,000.00	\$ 67,066.00	\$ 123,066.00	\$ 84,645.00	\$ (38,421.00)
Title I - ARRA		81,142.00	81,142.00	10,128.79	(71,013.21)
Title I SIA		23,410.00	23,410.00	14,400.00	(9,010.00)
Title I SIA - ARRA		14,256.00	14,256.00		(14,256.00)
Title IIA		44,449.00	44,449.00	44,449.00	
Title IID		1,161.00	1,161.00	1,161.00	
Title III		28,117.00	28,117.00	28,117.00	
Title IV		4,360.00	4,360.00	4,360.00	
I.D.E.I.A., Part B	350,000.00	118,280.00	468,280.00	468,280.00	
I.D.E.I.A., Part B - ARRA		494,150.00	494,150.00	493,607.65	(542.35)
Adult Basic Education	<u>101,800.00</u>	<u>(5,000.00)</u>	<u>96,800.00</u>	<u>83,209.45</u>	<u>(13,590.55)</u>
Total - Federal Sources	<u>507,800.00</u>	<u>871,391.00</u>	<u>1,379,191.00</u>	<u>1,232,357.89</u>	<u>(146,833.11)</u>
Total Revenues	<u>507,800.00</u>	<u>871,391.00</u>	<u>1,379,191.00</u>	<u>1,232,357.89</u>	<u>(146,833.11)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	138,500.00	205,521.00	344,021.00	284,234.23	59,786.77
Purchased Professional and Technical Services		64,226.00	64,226.00	3,450.00	60,776.00
Other Purchased Services		1,161.00	1,161.00	1,161.00	
General Supplies	6,060.00	(2,324.00)	3,736.00	3,736.00	
Supplies and Materials		4,360.00	4,360.00	4,360.00	
Textbooks	3,800.00	(1,900.00)	1,900.00	1,329.47	570.53
Tuition	<u>350,000.00</u>	<u>118,280.00</u>	<u>468,280.00</u>	<u>468,280.00</u>	
Total Instruction	<u>498,360.00</u>	<u>389,324.00</u>	<u>887,684.00</u>	<u>766,550.70</u>	<u>121,133.30</u>
Support Services:					
Salaries of Other Professional Staff	4,440.00	4,190.00	8,630.00	7,701.75	928.25
Personal Services - Employee Benefits		50,301.00	50,301.00	30,081.79	20,219.21
Purchased Professional and Technical Services		15,000.00	15,000.00	14,400.00	600.00
Other Purchased Services		1,000.00	1,000.00		1,000.00
Supplies and Materials		410.00	410.00		410.00
General Supplies	<u>5,000.00</u>	<u>(3,000.00)</u>	<u>2,000.00</u>		<u>2,000.00</u>
Total Support Services	<u>9,440.00</u>	<u>67,901.00</u>	<u>77,341.00</u>	<u>52,183.54</u>	<u>25,157.46</u>
Capital Outlay:					
Building Renovations		<u>414,166.00</u>	<u>414,166.00</u>	<u>413,623.65</u>	<u>542.35</u>
Total Capital Outlay	<u>-</u>	<u>414,166.00</u>	<u>414,166.00</u>	<u>413,623.65</u>	<u>542.35</u>
Total Expenditures	<u>507,800.00</u>	<u>871,391.00</u>	<u>1,379,191.00</u>	<u>1,232,357.89</u>	<u>146,833.11</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**RANCOCAS VALLEY REGIONAL HIGH 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	\$ 31,085,987.13	\$ 1,232,357.89
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		24,802.72
Current Year		(400,423.06)
The June State aid payments are 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) received July 2009	1,509,229.00	
The June State aid payments are 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) received July 2010	<u>(1,521,833.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 31,073,383.13</u>	<u>\$ 856,737.55</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 34,652,514.66	\$ 1,232,357.89
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.		
Prior Year		24,802.72
Current Year		(400,423.06)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 34,652,514.66</u>	<u>\$ 856,737.55</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2010

	N.C.L.B.							Total Brought Forward
	Title I 2008-2009	Title I 2009-2010	Title I-ARRA 2009-2010	Title I-SIA 2009-2010	Title II Part A 2009-2010	Title II Part D 2009-2010	Title III 2009-2010	
<b>REVENUES:</b>								
Federal Sources	\$ 9,900.00	\$ 74,745.00	\$ 10,128.79	\$ 14,400.00	\$ 44,449.00	\$ 1,161.00	\$ 28,117.00	\$ 1,049,457.10
State Sources								-
<b>Total Revenues</b>	<u>9,900.00</u>	<u>74,745.00</u>	<u>10,128.79</u>	<u>14,400.00</u>	<u>44,449.00</u>	<u>1,161.00</u>	<u>28,117.00</u>	<u>1,049,457.10</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	9,900.00	59,411.00	9,409.00		37,041.00		23,431.00	145,042.23
Purchased Professional and Technical Services		3,450.00						-
Other Purchased Services						1,161.00		-
General Supplies								3,736.00
Supplies and Materials								4,360.00
Textbooks								1,329.47
Tuition								468,280.00
<b>Total Instruction</b>	<u>9,900.00</u>	<u>62,861.00</u>	<u>9,409.00</u>	<u>-</u>	<u>37,041.00</u>	<u>1,161.00</u>	<u>23,431.00</u>	<u>622,747.70</u>
Support Services:								
Salaries of Other Professional Staff								7,701.75
Personal Services - Employee Benefits		11,884.00	719.79		7,408.00		4,686.00	5,384.00
Purchased Professional and Technical Services				14,400.00				-
<b>Total Support Services</b>	<u>-</u>	<u>11,884.00</u>	<u>719.79</u>	<u>14,400.00</u>	<u>7,408.00</u>	<u>-</u>	<u>4,686.00</u>	<u>13,085.75</u>
Capital Outlay:								
Building Renovations								413,623.65
<b>Total Capital Outlay</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>413,623.65</u>
<b>Total Expenditures</b>	<u>\$ 9,900.00</u>	<u>\$ 74,745.00</u>	<u>\$ 10,128.79</u>	<u>\$ 14,400.00</u>	<u>\$ 44,449.00</u>	<u>\$ 1,161.00</u>	<u>\$ 28,117.00</u>	<u>\$ 1,049,457.10</u>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

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

	Total Carried Forward	N.C.L.B Title IV 2009-2010	I.D.E.I.A. Part B, Basic 2009-2010	I.D.E.I.A. Part B Basic - ARRA 2009-2010	Adult Basic Education 2009-2010
<b>REVENUES:</b>					
Federal Sources	\$ 1,049,457.10	\$ 4,360.00	\$ 468,280.00	\$ 493,607.65	\$ 83,209.45
State Sources	-				
Total Revenues	1,049,457.10	4,360.00	468,280.00	493,607.65	83,209.45
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	145,042.23			74,300.00	70,742.23
Purchased Professional and Technical Services	-				
Other Purchased Services	-				3,736.00
General Supplies	3,736.00				
Supplies and Materials	4,360.00	4,360.00			
Textbooks	1,329.47				1,329.47
Tuition	468,280.00		468,280.00		
Total Instruction	622,747.70	4,360.00	468,280.00	74,300.00	75,807.70
Support Services:					
Salaries of Other Professional Staff	7,701.75			300.00	7,401.75
Personal Services - Employee Benefits	5,384.00			5,384.00	
Purchased Professional and Technical Services	-				
Total Support Services	13,085.75	-	-	5,684.00	7,401.75
Capital Outlay:					
Building Renovations	413,623.65			413,623.65	
Total Capital Outlay	413,623.65	-	-	413,623.65	
Total Expenditures	\$ 1,049,457.10	\$ 4,360.00	\$ 468,280.00	\$ 493,607.65	\$ 83,209.45

CAPITAL PROJECTS FUND

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 CAPITAL PROJECTS FUND  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2010

<u>Project Title / Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Balance June 30, 2010</u>
			<u>Prior Years</u>	<u>Current Year</u>	
<p>The Construction of additions to the existing buildings at the Rancocas Valley Regional High School District complex in the approximate aggregate size of 89,000 square feet to house classrooms, a gymnasium, a performing arts building and other facilities; (ii) the expansion of the existing cafeteria and the completion of alterations and renovations at the existing buildings in the complex; (iii) the construction of athletic facilities and a field house on property of the School District located along Smithville-Jacksonville Road in the Township of Eastampton (Block 700, Lot 9, on the official Township tax map); (iv) the completion of such other improvements as may be necessary or appropriate to make said additions, alterations and improvements compatible with the existing facilities; (v) the completion of site work and other related items at said locations; (vi) the acquisition of furniture, fixtures and equipment for said new additions, alterations and improvements; and (vii) to pay a portion of the costs and expenses related to the issuance, sales and delivery of the Bonds.</p>	6/15/1999	\$ 26,000,000.00	\$ 25,888,723.85	\$ 10,310.00	\$ 100,966.15
<p>The Completion of various upgrades, renovations and improvements at the Rancocas Valley Regional High School, including, but not limited to the replacement, repair and/or improvements to the roof on the main building, cafeteria, gymnasium and portion of Building "E"; replacement of concrete sidewalks and curbing, and resurfacing of driveways and parking lots; and (ii) the completion of such other improvements and work as may be necessary to make the upgrades, renovations and improvements compatible with the existing facilities;</p>	4/15/2008	2,483,000.00	537,871.19	1,573,403.40	371,725.41
		<u>\$ 28,483,000.00</u>	<u>\$ 26,426,595.04</u>	<u>\$ 1,583,713.40</u>	<u>\$ 472,691.56</u>

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2010

<b>Revenues and Other Financing Sources</b>	
State Sources - SCC Grant	\$ -
Bond Proceeds and Transfers	
Refund of Prior Years Expenditures	
Contributions from Private Source	
Transfer from Capital Reserve	
Transfer from Capital Outlay	
Total Revenues	-
 <b>Expenditures and Other Financing Uses</b>	
Construction Services	1,583,713.40
Total Expenditures	1,583,713.40
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,583,713.40)
Fund Balance - July 1	2,056,404.96
Fund Balance - June 30	\$ 472,691.56

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Additions to the Existing Buildings at the High School  
 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>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 26,000,000.00	\$ -	\$ 26,000,000.00	\$ 26,000,000.00
Bond Proceeds and Transfers				
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
<b>Total Revenues</b>	<u>26,000,000.00</u>	<u>-</u>	<u>26,000,000.00</u>	<u>26,000,000.00</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	25,888,723.85	10,310.00	25,899,033.85	26,000,000.00
<b>Total Expenditures</b>	<u>25,888,723.85</u>	<u>10,310.00</u>	<u>25,899,033.85</u>	<u>26,000,000.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 111,276.15</u>	<u>\$ (10,310.00)</u>	<u>\$ 100,966.15</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	NA
Grant Date	NA
Bond Authorization Date	6/15/1999
Bonds Authorized	26,000,000.00
Bonds Issued	26,000,000.00
Original Authorized Cost	26,000,000.00
Additional Authorized Cost	-
Revised Authorized Cost	26,000,000.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	99.61%
Original Target Completion Date	9/1/2002
Revised Target Completion Date	NA

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Various Repairs and Improvements to School Roof, Sidewalks, and Parking Lot  
 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>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 2,483,000.00	\$ -	\$ 2,483,000.00	\$ 2,483,000.00
Bond Proceeds and Transfers				
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
<b>Total Revenues</b>	<u>2,483,000.00</u>	<u>-</u>	<u>2,483,000.00</u>	<u>2,483,000.00</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	537,871.19	1,573,403.40	2,111,274.59	2,483,000.00
<b>Total Expenditures</b>	<u>537,871.19</u>	<u>1,573,403.40</u>	<u>2,111,274.59</u>	<u>2,483,000.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 1,945,128.81</u>	<u>\$ (1,573,403.40)</u>	<u>\$ 371,725.41</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	NA
Grant Date	NA
Bond Authorization Date	4/15/2008
Bonds Authorized	2,483,000.00
Bonds Issued	2,483,000.00
Original Authorized Cost	2,483,000.00
Additional Authorized Cost	-
Revised Authorized Cost	2,483,000.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	85.03%
Original Target Completion Date	9/1/2009
Revised Target Completion Date	NA

PROPRIETARY FUNDS

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Enterprise Fund  
Combining Statement of Net Assets  
June 30, 2010

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	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 30,145.03
Accounts Receivable:	
State	750.74
Federal	13,616.28
Other	1,234.66
Interfund Receivable	66,022.59
Inventories	<u>5,218.13</u>
Total Current Assets	<u>116,987.43</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	96,941.79
Less Accumulated Depreciation	<u>(48,464.69)</u>
Total Noncurrent Assets	<u>48,477.10</u>
Total Assets	<u>165,464.53</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	<u>24,738.10</u>
Total Liabilities	<u>24,738.10</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	48,477.10
Unrestricted	<u>92,249.33</u>
Total Net Assets	<u>\$ 140,726.43</u>

**RANCOCAS VALLEY REGIONAL HIGH 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>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 204,461.00
Daily Sales - Non-Reimbursable Programs	501,475.24
	705,936.24
Total Operating Revenues	705,936.24
<b>OPERATING EXPENSES:</b>	
Salaries	378,435.88
Employee Benefits	84,253.13
Supplies and Materials	32,036.54
Depreciation	9,487.38
Cost of Sales	328,166.83
Uniforms & Laundry	4,974.26
Management Fees	37,213.14
Insurance	13,981.35
Professional Fees	6,500.00
Miscellaneous	23,907.51
	918,956.02
Total Operating Expenses	918,956.02
Operating Income / (Loss)	(213,019.78)
<b>NONOPERATING REVENUES (EXPENSES):</b>	
State Sources:	
State School Lunch Program	6,998.82
State School Breakfast Program	1,573.10
Federal Sources:	
National School Lunch Program	131,097.78
National School Breakfast Program	20,054.84
Food Distribution Program	40,164.00
Interest Revenue	978.42
	978.42
Total Nonoperating Revenues (Expenses)	200,866.96
Change in Net Assets	(12,152.82)
Net Assets -- July 1	152,879.25
Net Assets -- June 30	\$ 140,726.43

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Enterprise Fund  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2010

	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 706,940.36
Payments to Employees	(378,435.88)
Payments for Employee Benefits	(84,253.13)
Payments to Suppliers	<u>(429,779.24)</u>
Net Cash Provided by (used for) Operating Activities	<u>(185,527.89)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State and Federal Sources	<u>106,335.69</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>106,335.69</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchase of Capital Assets	<u>(18,268.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities:	<u>(18,268.00)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest and Dividends	<u>978.42</u>
Net Cash Provided by (used for) Investing Activities	<u>978.42</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(96,481.78)
Cash and Cash Equivalents -- July 1	<u>126,626.81</u>
Cash and Equivalents -- June 30	<u><u>\$ 30,145.03</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)</b>	
by Operating Activities:	
Operating Income (Loss)	\$ (213,019.78)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	9,487.38
Food Distribution Program	40,164.00
(Increase) Decrease in Accounts Receivable, net	1,004.12
(Increase) Decrease in Inventories	7,370.20
Increase (Decrease) in Accounts Payable	<u>(30,533.81)</u>
Total Adjustments	<u>27,491.89</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (185,527.89)</u></u>

FIDUCIARY FUNDS

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Assets  
 June 30, 2010

	<u>Trust Funds</u>	<u>Agency Funds</u>		
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>	<u>Total</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 555,505.65	\$ 421,020.22	\$ 211,193.49	\$ 1,187,719.36
Total Assets	<u>555,505.65</u>	<u>421,020.22</u>	<u>211,193.49</u>	<u>1,187,719.36</u>
<b>LIABILITIES:</b>				
Interfund Payable			\$ 76,315.99	\$ 76,315.99
Payable to Student Groups		\$ 421,020.22		421,020.22
Payroll Deductions and Withholdings			134,933.79	134,933.79
Overdraft - Net Payroll			(56.29)	(56.29)
Total Liabilities	<u>-</u>	<u>\$ 421,020.22</u>	<u>\$ 211,193.49</u>	<u>632,213.71</u>
<b>NET ASSETS:</b>				
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 555,505.65</u>			<u>555,505.65</u>
Total Net Assets	<u>\$ 555,505.65</u>			<u>\$ 555,505.65</u>

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Changes in Fiduciary Net Assets  
 For the Fiscal Year Ended June 30, 2010

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	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan Member	\$ 434,587.32
Investment Earnings:	
Interest	1,766.28
Total Additions	<u>436,353.60</u>
DEDUCTIONS:	
Quarterly Contribution Reports	19,383.27
Unemployment Claims	<u>71,240.94</u>
Total Deductions	<u>90,624.21</u>
Change in Net Assets	345,729.39
Net Assets -- July 1	<u>209,776.26</u>
Net Assets -- June 30	<u><u>\$ 555,505.65</u></u>

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2010

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	<u>Balance</u> <u>June 30, 2009</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2010</u>
ACTIVITY				
Senior High School	<u>\$ 388,300.79</u>	<u>\$ 1,053,904.46</u>	<u>\$ 1,021,185.03</u>	<u>\$ 421,020.22</u>

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2010

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 122,892.66	\$ 17,683,079.07	\$ 17,594,778.24	\$ 211,193.49
Total Assets	<u>\$ 122,892.66</u>	<u>\$ 17,683,079.07</u>	<u>\$ 17,594,778.24</u>	<u>\$ 211,193.49</u>
<b>LIABILITIES:</b>				
Interfund Payable	\$ 5,000.00	\$ 71,315.99		\$ 76,315.99
Payroll Deductions and Withholdings	117,948.95	7,141,459.51	\$ 7,124,474.67	134,933.79
Net Payroll	(56.29)	10,470,303.57	10,470,303.57	(56.29)
Total Liabilities	<u>\$ 122,892.66</u>	<u>\$ 17,683,079.07</u>	<u>\$ 17,594,778.24</u>	<u>\$ 211,193.49</u>

LONG-TERM DEBT

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2010

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>	<u>Interest Rate</u>	<u>Balance June 30, 2009</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2010</u>
School District Bonds Series	2005	\$ 21,170,000.00	2/1/2011	\$ 840,000.00	3.250%		
			2/1/2012	830,000.00	4.000%		
			2/1/2013	825,000.00	3.500%		
			2/1/2014	820,000.00	4.000%		
			2/1/2015	815,000.00	4.000%		
			2/1/2016	845,000.00	4.000%		
			2/1/2017	875,000.00	4.000%		
			2/1/2018	905,000.00	4.250%		
			2/1/2019	945,000.00	4.250%		
			2/1/2020	980,000.00	4.000%		
			2/1/2021	1,015,000.00	4.500%		
			2/1/2022	1,060,000.00	4.750%		
			2/1/2023	1,110,000.00	4.750%		
			2/1/2024	1,160,000.00	4.750%		
			2/1/2025	1,215,000.00	4.250%		
			2/1/2026	1,265,000.00	4.250%		
			2/1/2027	1,310,000.00	4.350%		
			2/1/2028	1,365,000.00	4.375%		
			2/1/2029	1,410,000.00	4.375%		
				\$ 20,170,000.00	\$ 580,000.00	\$ 19,590,000.00	
2008	6/1/2008	2,483,000.00	8/1/2010	210,000.00	3.125%		
			8/1/2011	220,000.00	3.250%		
			8/1/2012	230,000.00	3.250%		
			8/1/2013	235,000.00	3.250%		
			8/1/2014	245,000.00	3.250%		
			8/1/2015	255,000.00	3.250%		
			8/1/2016	270,000.00	3.500%		
			8/1/2017	280,000.00	3.500%		
			8/1/2018	288,000.00	3.500%		
				2,483,000.00	250,000.00	2,233,000.00	
				\$ 22,653,000.00	\$ 830,000.00	\$ 21,823,000.00	

**RANCOCAS VALLEY REGIONAL HIGH 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>Amount of Original Issue Principal</u>	<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2009 (a)</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2010 (a)</u>
Building, Eastampton	10/27/2008	5	1,665,000.00	N/A	\$ 1,665,000.00	\$ 333,000.00	\$ 1,332,000.00

(a) Future Interest Payments Removed from Carrying Value of Leases.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Budgetary Comparison Schedule

Debt Service Fund

For the Fiscal Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 892,863.00		\$ 892,863.00	\$ 892,863.00	
State Sources:					
Debt Service Aid Type II	906,334.00		906,334.00	906,334.00	
<b>Total Revenues</b>	<u>1,799,197.00</u>	<u>\$ -</u>	<u>1,799,197.00</u>	<u>1,799,197.00</u>	<u>\$ -</u>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	981,275.00		981,275.00	981,274.45	0.55
Redemption of Principal	830,000.00		830,000.00	830,000.00	
<b>Total Expenditures</b>	<u>1,811,275.00</u>	<u>-</u>	<u>1,811,275.00</u>	<u>1,811,274.45</u>	<u>0.55</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(12,078.00)</u>	<u>-</u>	<u>(12,078.00)</u>	<u>(12,077.45)</u>	<u>0.55</u>
Other Financing Sources:					
Interest Earned in Capital Projects Fund				7,943.63	7,943.63
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,943.63</u>	<u>7,943.63</u>
<b>Net Change in Fund Balances</b>	<u>(12,078.00)</u>	<u>-</u>	<u>(12,078.00)</u>	<u>(4,133.82)</u>	<u>7,944.18</u>
<b>Fund Balance, July 1</b>	<u>39,822.72</u>	<u>-</u>	<u>39,822.72</u>	<u>39,822.72</u>	<u>-</u>
<b>Fund Balance, June 30</b>	<u>\$ 27,744.72</u>	<u>\$ -</u>	<u>\$ 27,744.72</u>	<u>\$ 35,688.90</u>	<u>\$ 7,944.18</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:</b>					
Budgeted Fund Balance	<u>\$ (12,078.00)</u>	<u>\$ -</u>	<u>\$ (12,078.00)</u>	<u>\$ (4,133.82)</u>	<u>\$ 7,944.18</u>

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 and J-2 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.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Net Assets by Component  
Last Eight Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental activities</b>								
Invested in capital assets, net of related debt	\$ 1,921,826.80	\$ 1,991,539.59	\$ 2,858,561.55	\$ 3,007,276.73	\$ 3,233,526.18	\$ 1,346,244.25	\$ 2,135,523.63	\$ 4,672,846.05
Restricted	8,215,019.04	7,347,374.16	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29
Unrestricted	284,823.36	73,677.71	(176,250.85)	(116,957.82)	(97,784.79)	(53,481.86)	(915,754.91)	(919,216.03)
<b>Total governmental activities net assets</b>	<u>\$ 10,421,669.20</u>	<u>\$ 9,412,591.46</u>	<u>\$ 9,579,348.19</u>	<u>\$ 9,997,369.06</u>	<u>\$ 11,562,317.34</u>	<u>\$ 13,247,719.04</u>	<u>\$ 14,998,290.47</u>	<u>\$ 12,399,839.31</u>
<b>Business-type activities</b>								
Invested in capital assets, net of related debt	\$ 49,551.37	\$ 62,663.86	\$ 54,362.42	\$ 46,060.84	\$ 38,188.30	\$ 46,088.43	\$ 39,696.48	\$ 48,477.10
Restricted	450,427.35	76,787.23	121,404.18	151,362.56	151,638.11	136,268.61	113,182.77	92,249.33
Unrestricted	499,978.72	139,451.09	175,766.60	197,423.40	189,826.41	182,357.04	152,879.25	140,726.43
<b>Total business-type activities net assets</b>	<u>\$ 959,957.44</u>	<u>\$ 278,902.18</u>	<u>\$ 350,533.20</u>	<u>\$ 394,846.80</u>	<u>\$ 378,652.82</u>	<u>\$ 384,714.08</u>	<u>\$ 395,758.50</u>	<u>\$ 381,452.86</u>
<b>District-wide</b>								
Invested in capital assets, net of related debt	\$ 1,971,378.17	\$ 2,054,203.45	\$ 2,912,923.97	\$ 3,053,337.57	\$ 3,271,714.48	\$ 1,392,332.68	\$ 2,175,220.11	\$ 4,721,323.15
Restricted	8,215,019.04	7,347,374.16	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29
Unrestricted	735,250.71	150,464.94	(54,846.67)	34,404.74	53,853.32	82,786.75	(802,572.14)	(826,966.70)
<b>Total district net assets</b>	<u>\$ 10,921,647.92</u>	<u>\$ 9,552,042.55</u>	<u>\$ 9,755,114.79</u>	<u>\$ 10,194,792.46</u>	<u>\$ 11,742,143.75</u>	<u>\$ 13,430,076.08</u>	<u>\$ 15,151,169.72</u>	<u>\$ 12,540,565.74</u>

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Changes in Net Assets  
 Last Eight Fiscal Years  
 (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>								
Governmental activities								
Instruction	\$ 7,138,919.23	\$ 7,373,751.98	\$ 7,781,723.36	\$ 8,431,834.82	\$ 8,867,727.29	\$ 9,230,253.82	\$ 9,784,520.81	\$ 10,227,748.53
Regular	958,740.98	1,147,074.10	1,103,466.24	1,230,949.66	1,178,302.60	1,286,755.30	1,408,101.80	1,616,906.28
Special education	22,174.00	22,159.00	22,174.00	22,082.70	22,174.00	22,174.00	-	-
Other instruction	725,066.53	818,429.27	817,540.67	891,922.45	978,134.11	1,024,266.18	1,097,408.86	1,059,119.15
Support Services:								
Tuition	2,762,352.07	3,395,567.68	3,676,608.37	3,426,094.50	3,966,086.66	4,153,593.17	3,756,706.59	3,943,862.35
Student & instruction related services	2,082,681.74	2,022,700.97	2,440,364.23	2,561,532.70	2,764,575.27	2,802,097.07	3,016,823.43	3,013,646.39
General administration	-	-	610,239.13	723,549.49	643,470.38	523,835.30	545,977.91	524,204.33
School Administrative services	1,013,307.61	1,426,516.31	1,133,628.56	1,152,523.58	1,248,279.11	1,192,734.44	1,369,316.06	1,456,541.96
Central Services	-	-	424,904.45	476,892.85	554,366.95	634,325.40	572,608.19	531,312.48
Administrative information technology	-	-	319,447.77	372,597.48	323,760.33	353,878.15	375,199.35	353,623.61
General and Business Administrative Services	1,213,503.29	1,379,483.77	2,690.72	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27
Plant operations and maintenance	2,044,667.67	2,054,569.89	2,265,415.25	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27
Pupil transportation	1,649,388.85	1,789,387.06	1,844,293.68	1,868,809.69	1,888,005.30	2,036,501.34	2,064,380.23	1,909,355.33
Unallocated Benefits	3,230,129.11	3,846,398.88	4,243,800.96	4,715,728.29	5,327,081.98	5,844,103.56	5,254,834.91	6,035,074.37
Special Schools	804,844.06	963,992.55	1,006,984.55	1,077,796.32	1,225,237.67	1,326,638.97	1,303,293.98	1,462,259.36
Interest on long-term debt	1,266,300.73	1,217,226.91	1,317,853.96	1,028,004.85	993,747.21	962,678.83	1,002,704.84	968,381.30
Unallocated depreciation	355,419.00	449,382.75	541,465.00	311,334.00	231,889.00	177,394.02	183,507.86	174,144.25
Unallocated activities expenses	25,267,494.87	27,926,641.12	29,552,600.90	30,827,275.46	32,767,795.26	34,604,096.06	34,810,816.88	36,345,757.96
Business-type activities:								
Food service	643,120.35	766,611.89	839,803.50	914,238.31	976,720.18	944,937.90	948,145.86	918,956.02
Total business-type activities expense	643,120.35	766,611.89	839,803.50	914,238.31	976,720.18	944,937.90	948,145.86	918,956.02
Total district expenses	\$ 25,910,615.22	\$ 28,693,253.01	\$ 30,392,404.40	\$ 31,741,513.77	\$ 33,744,515.44	\$ 35,549,033.96	\$ 35,758,962.74	\$ 37,264,713.98
<b>Program Revenues</b>								
Governmental activities:								
Charges for services:								
Instruction (tuition)	\$ 162,105.34	\$ 124,716.31	\$ 142,897.50	\$ 164,287.82	\$ 215,525.58	\$ 307,140.02	\$ 330,439.33	\$ 315,961.52
Special Schools	656,857.20	743,140.25	823,660.73	943,819.86	1,046,667.28	1,115,304.80	1,124,401.18	1,201,518.54
Operating grants and contributions	1,725,193.18	1,993,227.55	2,126,891.18	2,376,221.23	3,069,024.40	3,308,379.45	2,287,967.99	2,472,004.83
Capital grants and contributions	-	-	-	-	-	-	-	-
Total governmental activities program revenues	2,544,155.72	2,861,084.11	3,093,449.41	3,484,328.91	4,331,217.26	4,730,824.27	3,742,808.50	3,989,484.89
Business-type activities:								
Charges for services:								
Food service	649,227.85	744,467.72	791,548.08	826,625.50	843,960.69	794,932.84	750,630.24	705,936.24
Operating grants and contributions	51,009.92	59,016.79	82,229.39	101,308.55	117,075.69	136,421.17	166,672.17	199,888.54
Capital grants and contributions	-	-	-	-	-	-	-	-
Total business type activities program revenues	700,237.77	803,484.51	873,777.47	927,934.05	961,036.38	931,354.01	917,302.41	905,824.78
Total district program revenues	\$ 3,244,393.49	\$ 3,664,568.62	\$ 3,967,226.88	\$ 4,412,262.96	\$ 5,292,253.64	\$ 5,662,178.28	\$ 4,660,110.91	\$ 4,895,309.67
<b>Net (Expense)/Revenue</b>								
Governmental activities	\$ (22,723,339.15)	\$ (25,065,557.01)	\$ (26,459,151.49)	\$ (27,342,946.55)	\$ (28,436,578.00)	\$ (29,873,271.79)	\$ (31,068,008.38)	\$ (32,356,273.07)
Business-type activities	57,117.42	36,872.62	33,973.97	13,695.74	(15,683.80)	(13,583.89)	(30,843.45)	(13,131.24)
Total district-wide net expense	\$ (22,666,221.73)	\$ (25,028,684.39)	\$ (26,425,177.52)	\$ (27,329,250.81)	\$ (28,452,261.80)	\$ (29,886,855.68)	\$ (31,098,851.83)	\$ (32,369,404.31)

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Changes in Net Assets  
 Last Eight Fiscal Years  
 (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Revenues and Other Changes in Net Assets</b>								
Governmental activities:								
Property taxes levied for general purposes, net	\$ 7,051,799.00	\$ 9,112,187.00	\$ 10,983,632.00	\$ 12,111,206.00	\$ 14,225,203.00	\$ 15,429,674.00	\$ 14,913,835.00	\$ 14,913,835.00
Taxes levied for debt service	446,003.00	444,895.00	896,612.00	777,079.00	761,784.00	752,249.00	731,366.00	892,863.00
Federal and State Aid Not Restricted	13,318,519.95	14,038,818.20	14,551,949.00	14,425,334.00	14,495,170.00	14,941,320.00	16,927,299.16	13,585,250.98
Federal and State Aid Restricted	84,241.99	-	-	-	-	-	-	40,302.90
Miscellaneous income	221,808.62	60,579.59	268,015.22	447,348.43	533,528.59	445,430.49	246,079.65	325,570.03
Special Items	(16,344,347.01)	400,000.00	(74,300.00)	-	(24,159.31)	-	-	-
Total governmental activities	4,778,025.55	24,056,479.79	26,625,908.22	27,760,967.43	29,991,526.28	31,568,673.49	32,818,579.81	29,757,821.91
Business-type activities:								
Miscellaneous income	3,343.86	2,599.75	2,341.54	7,961.06	8,086.81	6,114.52	1,365.66	978.42
Special Items	-	(400,000.00)	-	-	-	-	-	-
Total business-type activities	3,343.86	(397,400.25)	2,341.54	7,961.06	8,086.81	6,114.52	1,365.66	978.42
Total district-wide	\$ 4,781,369.41	\$ 23,659,079.54	\$ 26,628,249.76	\$ 27,768,928.49	\$ 29,999,613.09	\$ 31,574,788.01	\$ 32,819,945.47	\$ 29,758,800.33
<b>Change in Net Assets</b>								
Governmental activities	\$ (17,945,313.60)	\$ (1,009,077.22)	\$ 166,756.73	\$ 418,020.88	\$ 1,554,948.28	\$ 1,695,401.70	\$ 1,750,571.43	\$ (2,598,451.16)
Business-type activities	60,461.28	(360,527.63)	36,315.51	21,656.80	(7,596.99)	(7,469.37)	(29,477.79)	(12,152.82)
Total district	\$ (17,884,852.32)	\$ (1,369,604.85)	\$ 203,072.24	\$ 439,677.68	\$ 1,547,351.29	\$ 1,687,932.33	\$ 1,721,093.64	\$ (2,610,603.98)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Fund Balances - Governmental Funds  
 Last Eight Fiscal Years  
 (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
General Fund								
Reserved	\$ 5,852,027.33	\$ 5,662,137.03	\$ 6,296,120.70	\$ 6,576,047.20	\$ 7,947,264.22	\$ 9,256,688.08	\$ 11,597,690.89	\$ 8,043,180.16
Unreserved	718,897.77	147,073.48	(65,573.20)	4,428.32	47,203.61	87,899.19	(766,190.31)	(790,811.11)
Total general fund	<u>\$ 6,570,925.10</u>	<u>\$ 5,809,210.51</u>	<u>\$ 6,230,547.50</u>	<u>\$ 6,580,475.52</u>	<u>\$ 7,994,467.83</u>	<u>\$ 9,344,587.27</u>	<u>\$ 10,831,500.58</u>	<u>\$ 7,252,369.05</u>
All Other Governmental Funds								
Reserved	\$ 559,830.80	\$ 90,346.80	\$ 36,941.69	\$ 44,512.91	\$ 36,280.28	\$ 39,393.80	\$ 28,124.95	\$ 43,791.80
Unreserved, reported in:								
Special revenue fund	(6,782.95)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)	-	-
Capital projects fund	1,760,766.70	1,521,884.10	486,265.91	416,255.03	361,582.11	2,577,293.21	2,056,404.96	472,691.56
Debt service fund	-	20,894.89	28,466.11	20,233.48	23,347.21	12,078.15	27,744.57	7,943.90
Permanent fund	49,177.16	54,460.49	51,592.23	52,350.68	50,451.28	71,852.56	68,556.38	78,601.87
Total all other governmental funds	<u>\$ 2,362,991.71</u>	<u>\$ 1,685,237.13</u>	<u>\$ 600,916.79</u>	<u>\$ 531,002.95</u>	<u>\$ 469,311.73</u>	<u>\$ 2,698,268.57</u>	<u>\$ 2,180,830.86</u>	<u>\$ 603,029.13</u>

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Eight Fiscal Years  
 (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,					
	2003	2004	2005	2006	2007	2008
<b>Revenues</b>						
Tax levy	\$ 7,497,802.00	\$ 9,557,082.00	\$ 11,880,244.00	\$ 12,888,285.00	\$ 14,986,987.00	\$ 16,181,923.00
Tuition charges	818,962.54	867,856.56	966,558.23	1,108,107.68	1,282,192.86	1,422,444.82
Miscellaneous	300,808.62	110,579.59	269,146.54	445,693.14	535,066.49	445,971.94
State sources	14,505,522.45	15,414,743.68	16,028,573.55	16,155,748.93	16,894,164.54	17,536,525.88
Federal sources	543,432.67	567,302.07	650,266.63	645,806.30	670,029.86	713,173.57
Total revenue	23,666,528.28	26,517,563.90	29,794,788.95	31,243,641.05	34,348,440.75	36,300,039.21
<b>Expenditures</b>						
Instruction						
Regular instruction	6,514,998.32	6,916,228.08	7,534,437.20	8,060,427.14	8,526,257.20	8,791,668.57
Special education instruction	943,235.98	1,093,285.97	1,078,077.36	1,196,656.28	1,145,388.46	1,266,044.96
Other special instruction	22,174.00	22,159.00	22,174.00	22,082.70	22,174.00	22,174.00
Other instruction	725,066.53	818,429.27	817,540.67	891,922.46	978,134.11	1,024,266.18
Support Services:						
Tuition	2,762,352.07	3,395,567.68	3,676,608.37	3,426,094.50	3,966,086.66	4,153,593.17
Student & inst. related services	2,082,681.74	2,022,700.97	2,440,364.23	2,561,532.70	2,764,575.27	2,802,097.07
General administration	-	610,239.13	723,549.49	723,835.30	523,835.30	545,977.91
School administrative services	982,296.61	1,318,940.05	1,082,850.80	1,083,936.81	1,182,450.82	1,192,734.44
Central services	-	-	424,904.45	476,892.86	554,366.95	634,325.40
Admin. information technology	-	319,447.77	372,597.48	323,760.33	323,760.33	353,878.15
Other Admin. Services	1,213,503.29	1,379,483.77	2,690.72	-	-	-
Plant operations and maintenance	2,044,667.67	2,054,569.89	2,265,415.25	2,535,622.08	2,554,957.40	3,000,866.51
Pupil transportation	1,649,388.85	1,789,387.06	1,844,293.68	1,868,809.69	1,868,005.30	2,066,501.34
Unallocated Benefits	3,230,129.11	3,846,398.88	4,243,800.96	4,705,019.80	5,303,479.72	5,847,710.91
Special Schools	804,844.06	983,992.55	1,006,984.55	1,077,796.32	1,225,237.67	1,261,218.30
Capital outlay	5,365,556.06	964,661.27	1,113,562.84	272,300.36	242,576.23	636,455.92
Debt service:						
Principal	710,000.00	710,000.00	710,000.00	710,000.00	710,000.00	710,000.00
Interest and other charges	1,264,209.00	1,226,579.00	1,188,949.00	980,041.50	963,681.26	926,051.26
Total expenditures	30,315,103.29	28,542,383.44	30,382,340.98	30,965,282.17	32,994,601.76	35,203,421.48
Excess (Deficiency) of revenues over (under) expenditures	(6,648,575.01)	(2,024,819.54)	(587,552.03)	278,358.89	1,353,838.99	1,096,617.73
<b>Other Financing sources (uses)</b>						
Estimated Arbitrage Payment	-	-	(74,300.00)	-	-	-
Proceeds of Refunding Bonds	-	20,170,000.00	-	-	-	-
Deferred Loss on Defeasance of Bonds	-	(1,267,378.69)	-	-	-	-
Cost of Issuance -- Refunding Bonds	-	(229,151.11)	-	-	-	-
Premium -- Refunding Bonds	-	209,529.80	-	-	-	-
Payment to Refunded Bond Escrow Account	-	(18,883,000.00)	-	-	-	-
Proceeds from Issuance of Bonds	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-
Increase (Decrease) in Market Value of Permanent Fund Investments	401,019.00	585,350.37	(1,131.32)	1,655.29	(1,537.90)	(3,883.88)
Contributions	-	-	-	-	-	-
Transfers in	239,999.69	20,894.89	28,466.11	20,233.09	23,346.36	12,076.72
Transfers out	(239,999.69)	(20,894.89)	(28,466.11)	(20,233.09)	(23,346.36)	(12,076.72)
Total other financing sources (uses)	401,019.00	585,350.37	(75,431.32)	1,655.29	(1,537.90)	2,482,458.55
Net change in fund balances	\$ (6,247,556.01)	\$ (1,439,469.17)	\$ (662,983.35)	\$ 280,014.18	\$ 1,352,301.09	\$ 3,579,076.28
Debt service as a percentage of noncapital expenditures	7.91%	7.02%	6.49%	5.51%	4.73%	4.61%
<b>Source: District records</b>						
Note: Noncapital expenditures are total expenditures less capital outlay.						
Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.						
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.						

## 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.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

General Fund - Other Local Revenue By Source  
Last Nine Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Tuition	\$ 667,184.88	\$ 818,962.54	\$867,856.56	\$ 966,558.23	\$ 1,108,107.68	\$ 1,262,192.86	\$ 1,422,444.82	\$ 1,454,840.51	\$ 1,517,480.06
Interest on Investments	187,631.73	73,973.83	39,378.16	160,567.35	328,301.66	419,562.61	328,916.12	130,145.40	117,653.45
E-Rate			7,588.30			32,681.69	26,807.94	14,130.10	10,080.00
Vending Machine Revenue						21,000.00			
Dodge Foundation				46,512.86	9,659.94	5,683.91			
Miscellaneous	1,918.08		11,255.09	12,052.49	50,956.14	30,653.42	38,728.43	16,506.08	58,670.79
Refund of Prior Year Expenditures	58,939.09	16,575.43	8,612.73	8,635.67	15,479.15			47,849.42	33,468.67
Wordsworth Academy					15,460.00		15,000.00		
Lockheed Martin Grant									
NJSBEC - Grant					4,000.00				
State of NJ Homeless Reimb									
AT&T Rebate									
Student Fines	3,145.49	7,879.93	6,934.02	6,374.00					
Use of Building				5,775.00					
I.D. Replacements			570.00						
J. Coney Basketball			700.00						
Sale of Textbooks	297.00								
State Star School Award	1,000.00								
Farm Land Rental	8,576.00								
Virtua Donation		19,000.00							
Prudential Insurance		20,554.34							
	<u>\$ 928,692.27</u>	<u>\$ 1,017,646.07</u>	<u>\$949,757.93</u>	<u>\$ 1,206,475.60</u>	<u>\$ 1,531,964.57</u>	<u>\$ 1,771,774.49</u>	<u>\$ 1,831,897.31</u>	<u>\$ 1,673,471.51</u>	<u>\$ 1,825,060.97</u>

Source: District Records

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Eight Years  
*Unaudited*

Year	Vacant Land	Residential	Farm Reg	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
<b>Eastampton</b>													
2010	8,230,300	438,491,560	4,101,000	457,600	28,423,300	4,405,000	36,900,000	521,008,760	778,297	521,787,057	73,813,200	515,465,254	0.373
2009	8,193,100	439,228,360	4,251,000	457,600	28,706,000	4,405,000	36,900,000	522,141,060	789,323	522,910,383	72,797,100	534,014,423	0.350
2008	8,672,100	437,682,600	4,642,000	461,600	30,941,000	2,655,000	36,900,000	521,954,300	678,643	522,632,943	49,922,600	526,988,749	0.364
2007	9,364,100	437,165,100	4,762,600	462,300	29,141,000	2,655,000	36,900,000	520,414,100	669,304	521,083,404	49,031,700	492,594,001	0.376
2006	R 7,700,000	438,166,300	4,902,700	538,400	30,855,000	1,300,000	36,900,000	520,362,400	646,816	521,009,216	49,165,600	429,516,224	0.351
2005	4,162,629	211,389,792	3,772,120	471,064	12,873,907	615,000	16,413,700	249,700,212	481,738	250,161,950	25,502,902	378,376,127	0.644
2004	4,073,929	211,251,342	3,509,970	468,580	12,873,907	615,000	16,413,700	249,206,428	583,987	249,770,428	22,912,781	330,862,563	0.587
2003	4,088,274	211,133,762	3,509,970	468,580	12,639,907	615,000	16,412,700	248,868,193	688,755	249,556,948	17,767,781	293,946,373	0.519
<b>Hainesport</b>													
2010	7,509,600	355,461,900	5,618,900	221,300	42,825,433	28,180,100	247,500	440,899,892	835,159	440,899,892	15,613,500	884,588,474	0.525
2009	9,394,000	353,561,400	5,618,900	221,300	39,800,433	29,918,500	247,500	438,762,033	864,453	439,626,486	15,583,900	935,706,047	0.564
2008	9,168,000	351,430,400	5,768,600	221,300	39,889,933	29,918,500	247,500	436,644,233	844,818	437,489,051	15,425,600	895,510,227	0.533
2007	8,893,800	352,740,900	4,762,400	221,700	35,102,400	30,836,700	247,500	432,804,600	888,480	433,693,880	15,425,600	817,347,978	0.597
2006	10,628,000	340,352,400	5,157,900	223,200	40,020,700	27,174,900	247,500	423,804,600	1,002,720	424,807,320	15,218,500	701,924,862	0.546
2005	11,632,100	330,499,200	5,174,600	227,200	38,929,900	26,315,800	247,500	413,026,300	1,103,105	414,129,400	15,317,000	616,901,357	0.502
2004	16,369,100	297,968,800	5,174,600	227,200	37,834,700	26,315,800	247,500	384,137,700	1,462,728	385,600,428	15,532,600	512,594,875	0.455
2003	20,774,600	264,200,700	4,094,700	506,500	25,317,800	27,466,800	247,500	342,608,600	1,757,035	344,365,635	15,619,900	404,279,718	0.378
<b>Lumberton</b>													
2010	11,698,400	1,187,781,700	20,484,200	1,902,800	131,564,300	64,304,600	28,954,400	1,446,690,400	2,285,933	1,448,976,333	101,665,363	1,523,480,241	0.354
2009	11,597,000	1,190,946,000	20,915,300	1,923,700	127,543,600	64,941,400	28,954,400	1,446,821,400	2,245,784	1,449,067,184	101,216,800	1,566,514,606	0.319
2008	11,963,500	1,191,093,800	20,850,000	1,997,980	122,340,000	55,956,100	28,954,400	1,433,155,780	2,103,413	1,435,259,193	100,642,000	1,514,653,856	0.318
2007	12,793,600	1,194,523,300	19,555,800	1,980,100	115,446,100	57,422,000	30,929,800	1,432,650,700	2,115,070	1,434,765,770	99,789,700	1,301,375,968	0.320
2006	5,357,300	601,863,900	10,190,000	1,112,600	71,115,200	29,051,100	21,610,300	740,300,400	1,197,965	741,498,365	84,536,000	1,272,162,007	0.569
2005	10,342,300	576,900,100	9,314,100	1,199,500	63,004,800	29,140,800	21,610,300	711,511,900	1,448,392	712,960,292	81,127,600	1,058,709,552	0.499
2004	19,280,800	549,153,800	9,800,900	1,546,300	64,873,100	29,129,000	21,703,300	695,487,200	1,599,204	697,086,404	61,624,500	914,325,994	0.459
2003	17,124,900	519,517,900	10,271,300	1,622,500	62,063,600	29,129,000	21,703,300	661,432,500	1,837,735	663,270,235	49,999,600	790,915,385	0.397
<b>Mount Holly</b>													
2010	5,876,700	248,952,700	-	8,300	45,352,200	4,370,300	9,748,500	314,308,700	3,553,287	317,861,987	148,335,600	674,010,703	0.747
2009	5,901,800	248,239,500	-	8,300	44,879,100	4,485,300	9,748,500	313,262,500	3,444,405	316,706,905	148,105,800	692,020,480	0.774
2008	6,044,900	247,721,300	142,700	14,200	45,706,700	4,485,300	11,250,700	315,365,800	3,156,029	318,521,829	149,398,300	709,679,409	0.797
2007	6,168,700	248,390,800	142,700	14,200	44,018,800	4,847,700	11,395,400	314,978,300	3,649,818	318,628,118	149,642,000	642,521,772	0.771
2006	5,473,000	250,726,100	142,700	14,200	43,281,500	4,847,700	12,157,000	316,642,200	4,223,486	320,865,686	147,589,500	546,950,563	0.748
2005	5,096,400	252,580,800	142,700	14,200	44,469,300	4,847,700	12,151,900	319,303,000	5,138,701	324,441,701	144,288,300	471,409,535	0.635
2004	5,211,100	252,989,200	142,700	14,200	44,053,100	4,847,700	12,151,900	319,409,900	5,905,257	325,315,157	142,758,300	422,196,136	0.594
2003	5,091,100	252,961,000	142,700	14,200	45,097,500	4,847,700	12,429,800	320,584,000	6,745,323	327,329,323	142,283,200	384,596,131	0.494
<b>Westampton</b>													
2010	5,765,300	476,102,200	3,393,900	1,332,100	205,709,800	11,261,400	-	703,564,700	1,413,756	704,978,456	118,994,700	1,248,552,779	0.624
2009	5,994,800	471,418,100	3,393,900	1,335,000	197,854,500	11,261,400	-	694,857,700	1,388,525	696,246,225	118,686,000	1,258,699,814	0.645
2008	10,919,600	463,505,000	4,013,700	999,650	199,197,200	11,261,400	-	689,896,550	1,313,152	691,209,702	113,479,900	1,235,266,586	0.617
2007	11,196,200	456,815,600	4,214,100	1,043,250	187,973,100	11,261,400	-	672,503,650	1,342,566	673,846,216	110,583,500	1,128,558,828	0.665
2006	12,721,100	446,894,400	4,117,400	1,048,950	180,183,900	11,261,400	-	656,227,150	1,447,205	657,674,355	109,805,100	998,224,187	0.642
2005	13,891,500	417,541,700	4,220,700	1,094,650	172,621,100	11,261,400	-	620,631,050	1,675,960	622,307,010	107,922,800	864,337,817	0.576
2004	22,842,600	386,642,400	4,220,700	1,276,350	159,631,900	11,261,400	-	585,874,950	1,987,759	587,828,709	105,081,600	722,248,415	0.570
2003	21,696,200	348,376,700	4,245,600	1,283,750	159,655,500	11,261,400	-	546,519,150	2,131,007	548,650,157	104,917,600	604,915,541	0.462

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
<sup>b</sup> Tax rates are per \$100

Source: Abstract of Rates for the County of Burlington  
 R = reassessment was performed

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Property Tax Rates  
 Per \$100.00 of Assessed Valuation  
 Last Eight Years  
*Unaudited*

Year	School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	(From J-6) Total Direct School Tax Rate	Local School District	Municipal	County	Fire District	
<u>Eastampton</u>								
2010	0.348	0.025	0.373	0.916	0.676	0.372	0.059	2.396
2009	0.330	0.020	0.350	0.916	0.631	0.388	0.058	2.343
2008	0.347	0.017	0.364	0.905	0.583	0.393	0.057	2.302
2007	0.359	0.017	0.376	0.956	0.568	0.396	0.057	2.353
2006	R 0.333	0.018	0.351	0.930	0.562	0.365	0.061	2.269
2005	0.605	0.039	0.644	1.778	1.074	0.691	0.110	4.297
2004	0.543	0.044	0.587	1.488	1.049	0.621	0.110	3.855
2003	0.495	0.024	0.519	1.392	1.029	0.601	0.107	3.648
<u>Hainesport</u>								
2010	0.490	0.035	0.525	1.709	0.491	0.761	-	3.486
2009	0.532	0.032	0.564	1.614	0.475	0.808	-	3.461
2008	0.508	0.025	0.533	1.584	0.481	0.792	-	3.390
2007	0.569	0.028	0.597	1.565	0.453	0.795	-	3.410
2006	0.518	0.028	0.546	1.544	0.433	0.732	-	3.255
2005	0.472	0.030	0.502	1.507	0.412	0.682	-	3.103
2004	0.421	0.034	0.455	1.517	0.349	0.625	-	2.946
2003	0.360	0.018	0.378	1.456	0.328	0.598	-	2.760
<u>Lumberton</u>								
2010	0.330	0.024	0.354	0.947	0.340	0.400	-	2.041
2009	0.301	0.018	0.319	0.932	0.323	0.411	-	1.985
2008	0.303	0.015	0.318	0.937	0.308	0.408	-	1.971
2007	R 0.305	0.015	0.320	0.948	0.268	0.383	-	1.919
2006	0.540	0.029	0.569	1.815	0.410	0.757	-	3.551
2005	0.469	0.030	0.499	1.806	0.406	0.677	-	3.388
2004	0.424	0.035	0.459	1.935	0.405	0.616	-	3.415
2003	0.379	0.018	0.397	1.470	0.346	0.607	-	2.820
<u>Mount Holly</u>								
2010	0.697	0.050	0.747	2.171	1.154	0.806	0.179	5.057
2009	0.730	0.044	0.774	2.127	1.155	0.830	0.173	5.059
2008	0.760	0.037	0.797	2.135	1.076	0.867	0.172	5.047
2007	0.735	0.036	0.771	2.077	1.002	0.849	0.172	4.871
2006	0.710	0.038	0.748	1.939	0.929	0.752	0.171	4.539
2005	0.597	0.038	0.635	1.753	0.848	0.664	0.169	4.069
2004	0.549	0.045	0.594	1.665	0.779	0.609	0.159	3.806
2003	0.471	0.023	0.494	1.514	0.800	0.602	0.148	3.558
<u>Westampton</u>								
2010	0.582	0.042	0.624	1.311	0.748	0.665	-	3.348
2009	0.609	0.036	0.645	1.225	0.631	0.688	-	3.189
2008	0.588	0.029	0.617	1.170	0.621	0.696	-	3.104
2007	0.634	0.031	0.665	1.169	0.554	0.703	-	3.091
2006	0.609	0.033	0.642	1.177	0.544	0.670	-	3.033
2005	0.541	0.035	0.576	1.137	0.504	0.635	-	2.852
2004	0.527	0.043	0.570	1.137	0.495	0.577	-	2.779
2003	0.440	0.022	0.462	1.142	0.484	0.562	-	2.650

Source: Abstract of Ratables for the County of Burlington  
 R = reassessment was performed

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Principal Property Taxpayers  
Current Year and Ten Years Ago  
*Unaudited*

	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Eastampton						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
East Coast Sherwood Village, LLC	\$ 21,500,000	1	4.11%	\$ 5,050,000	2	2.03%
East Coast Eastampton Apts, LLC	14,400,000	2	2.75%	7,300,000	1	2.94%
1170, Inc. (Ashley Furniture)	4,800,000	3	0.92%	2,150,000	4	0.86%
Charley's Other Brother	1,975,000	4	0.38%	1,200,000	5	0.48%
Compass Road, LLC	1,800,000	5	0.34%			
Pharmacy Development (CVS)	1,700,000	6	0.33%	1,100,000	6	0.44%
E.D.J., LLC	1,700,000	7	0.33%			
Sharbell Eastampton Corporation	1,618,000	8	0.31%			
Waste Management	1,418,000	9	0.27%	1,050,000	7	0.42%
Lina Lane, LLP	1,355,000	10	0.26%			
Sherwood Apartments				3,500,000	3	1.41%
G'Sell Moving and Storage				792,600	8	0.32%
Verizon - New Jersey				783,640	9	0.32%
Hitner Enterprises				719,680	10	0.29%
<b>Total</b>	<b>\$ 52,266,000</b>		<b>10.00%</b>	<b>\$ 23,645,920</b>		<b>9.51%</b>
Hainesport						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
DDRM Crossroads Plaza	\$ 7,762,900	1	1.77%			
South Hainesport Ind Trust	6,679,400	2	1.52%	\$ 4,494,900	2	1.75%
Berry Drive LLC	5,742,300	3	1.31%			
Mt. Laurel Rd LTD	3,116,000	4	0.71%	7,608,600	1	2.96%
Creek Crossing II	3,062,800	5	0.70%			
Arrow International	2,531,800	6	0.58%	2,578,000	3	1.00%
White Cap Inc.	1,731,500	7	0.39%			
Creek Crossing	1,570,700	8	0.36%			
Winzinger, Robert T & Anne H	1,378,100	9	0.31%	2,014,300	5	0.78%
Drenk Institute	1,355,000	10	0.31%			
Kevin Scarborough				2,215,900	4	0.86%
N.J. Bell Telephone				1,918,100	6	0.75%
E.I.D. Associates				1,685,700	7	0.66%
Salvatore Sgroi				1,637,600	8	0.64%
David Feldman				1,466,700	9	0.57%
Irish American Associates				1,186,200	10	0.46%
<b>Total</b>	<b>\$ 34,930,500</b>		<b>7.95%</b>	<b>\$ 26,806,000</b>		<b>10.43%</b>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Principal Property Taxpayers  
Current Year and Ten Years Ago  
*Unaudited*

	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lumberton						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
CVS Property Tax Dept	\$ 31,950,000	1	2.20%	\$ 25,200,000	1	4.86%
The Estraugh	29,812,800	2	2.06%	10,785,000	2	2.08%
BF Saul Holding Ltd Partnership	14,172,600	3	0.98%	10,500,000	3	2.02%
541 Associates, LLC	13,140,900	4	0.91%			
Whitehall Apartment Associates	12,900,000	5	0.89%	8,500,000	4	1.64%
Newman Development Group of Hainesport	10,624,400	6	0.73%			
Mt. Holly By-Pass LLC	10,465,200	7	0.72%			
Wal-Mart Re Bus Inc #2841 Tax Dept	10,116,600	8	0.70%	2,436,000	9	0.47%
Evergreen I Associates, LLC	8,573,300	9	0.59%			
East Coast Lumberton Apartments	8,400,000	10	0.58%			
Lumberton Associates, LP				7,680,000	5	0.0148
Mt. Holly Associates, LLC				3,854,800	6	0.74%
Dorado Garden Apartments				3,800,000	7	0.73%
Aviation Industrial Realty				2,461,800	8	0.47%
Carlson Craft of NJ				2,400,000	10	0.46%
<b>Total</b>	<b>\$ 150,155,800</b>		<b>10.36%</b>	<b>\$ 77,617,600</b>		<b>14.95%</b>
Mount Holly						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
Levine Properties, LP	\$ 6,029,800	1	1.90%	\$ 5,234,500	3	1.62%
Mount Holly Associates	5,500,000	2	1.74%	5,500,000	2	1.70%
Verizon	4,697,587	3	1.48%			
Virtua Memorial Hospital	3,344,600	4	1.06%			
Mt. Holly Equities	3,065,700	5	0.97%	1,992,300	5	0.62%
Richard A. Alaimo	2,380,700	6	0.75%	2,380,700	4	0.74%
Amcor Flexibles, Inc	1,761,000	7	0.56%			
Baird, LLC %Thomas Baird	1,430,400	8	0.45%			
K & S 100, LLC	1,328,500	9	0.42%			
Public Storage, Inc.	1,162,500	10	0.37%			
Bell Atlantic				8,108,742	1	2.51%
Medford Leas/Estaugh Corp				1,862,200	6	0.58%
Rexam Medical Packaging				1,761,000	7	0.55%
E F & C Corp.				1,535,300	8	0.48%
Washington House Assoc.				1,328,500	9	0.41%
Mt. Holly Christian Retirement Center				1,019,700	10	0.32%
<b>Total</b>	<b>\$ 30,700,787</b>		<b>9.69%</b>	<b>\$ 30,722,942</b>		<b>9.53%</b>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Principal Property Taxpayers  
Current Year and Ten Years Ago  
*Unaudited*

Westampton <u>Taxpayer</u>	2010			2001		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Ikea Property, Inc.	\$ 30,562,800	1	4.39%	\$ 29,988,400	1	6.80%
Brandywine Realty trust	15,400,500	2	2.21%	15,400,500	2	3.49%
RPE Ventures II, LLC	10,988,800	3	1.58%			
Prologis-Macquarie	10,029,800	4	1.44%			
Rowan Technologies, Inc	9,380,000	5	1.35%			
Shri Sai Dev. LLC	9,186,700	6	1.32%			
Home Depot USA	7,338,600	7	1.05%			
100 Highland LLC	6,781,800	8	0.97%			
Jenicky, LLC	5,835,000	9	0.84%			
RPE Ventures III, LLC	5,834,700	10	0.84%			
The Dolan Group				13,645,600	3	3.09%
Inductotherm Industries				11,558,850	4	2.62%
H.A.T., Inc				9,178,000	5	2.08%
Home Depot USA				7,338,600	6	1.66%
UHS of Hampton				5,858,000	7	1.33%
Kohl's Department Store				5,053,800	8	1.15%
ALS, Inc.				4,497,000	9	1.02%
Rose Hotel, LTD				3,130,800	10	0.71%
<b>Total</b>	<b>\$ 111,338,700</b>		<b>15.99%</b>	<b>\$ 105,649,550</b>		<b>23.95%</b>

Source: Municipal Tax Assessor

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Property Tax Levies and Collections

Last Eight Fiscal Years

*Unaudited*

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
<u>2010</u>				
Eastampton	\$ 1,829,530.80	\$ 1,829,530.80	11.57%	\$ -
Hainesport	2,477,007.23	2,477,007.23	15.67%	-
Lumberton	4,614,774.74	4,614,774.74	29.20%	-
Mount Holly	2,392,247.24	2,392,247.24	15.13%	-
Westampton	4,493,137.99	4,493,137.99	28.43%	-
	<u>15,806,698.00</u>	<u>15,806,698.00</u>	<u>100.00%</u>	<u>-</u>
<u>2009</u>				
Eastampton	1,903,150.83	1,903,150.83	12.16%	-
Hainesport	2,334,026.17	2,334,026.17	14.92%	-
Lumberton	4,576,768.80	4,576,768.80	29.25%	-
Mount Holly	2,563,357.53	2,563,357.53	16.38%	-
Westampton	4,267,897.67	4,267,897.67	27.28%	-
	<u>15,645,201.00</u>	<u>15,645,201.00</u>	<u>100.00%</u>	<u>-</u>
<u>2008</u>				
Eastampton	1,960,285.24	1,960,285.24	12.11%	-
Hainesport	2,587,411.12	2,587,411.12	15.99%	-
Lumberton	4,590,046.32	4,590,046.32	28.37%	-
Mount Holly	2,565,366.65	2,565,366.65	15.85%	-
Westampton	4,478,813.67	4,478,813.67	27.68%	-
	<u>16,181,923.00</u>	<u>16,181,923.00</u>	<u>100.00%</u>	<u>-</u>
<u>2007</u>				
Eastampton	1,827,739.60	1,827,739.60	12.20%	-
Hainesport	2,317,930.44	2,317,930.44	15.47%	-
Lumberton	4,218,001.31	4,218,001.31	28.14%	-
Mount Holly	2,399,930.94	2,399,930.94	16.01%	-
Westampton	4,223,384.71	4,223,384.71	28.18%	-
	<u>14,986,987.00</u>	<u>14,986,987.00</u>	<u>100.00%</u>	<u>-</u>
<u>2006</u>				
Eastampton	1,610,690.12	1,610,690.12	12.50%	-
Hainesport	2,078,070.56	2,078,070.56	16.12%	-
Lumberton	3,556,990.28	3,556,990.28	27.60%	-
Mount Holly	2,062,217.31	2,062,217.31	16.00%	-
Westampton	3,580,316.73	3,580,316.73	27.78%	-
	<u>12,888,285.00</u>	<u>12,888,285.00</u>	<u>100.00%</u>	<u>-</u>

(Continued)

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Property Tax Levies and Collections  
Last Eight Fiscal Years  
*Unaudited*

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
<u>2005</u>				
Eastampton	\$ 1,465,120.33	\$ 1,465,120.33	12.33%	\$ -
Hainesport	1,749,727.97	1,749,727.97	14.73%	-
Lumberton	3,200,556.77	3,200,556.77	26.94%	-
Mount Holly	2,111,232.90	2,111,232.90	17.77%	-
Westampton	3,353,606.03	3,353,606.03	28.23%	-
	<u>11,880,244.00</u>	<u>11,880,244.00</u>	<u>100.00%</u>	<u>-</u>
<u>2004</u>				
Eastampton	1,296,877.70	1,296,877.70	13.57%	-
Hainesport	1,301,023.92	1,301,023.92	13.61%	-
Lumberton	2,630,085.34	2,367,076.34	24.77%	263,009.00
Mount Holly	1,796,132.54	1,796,132.54	18.79%	-
Westampton	2,532,962.50	2,532,962.50	26.50%	-
	<u>9,557,082.00</u>	<u>9,294,073.00</u>	<u>97.25%</u>	<u>263,009.00</u>
<u>2003</u>				
Eastampton	1,045,457.40	1,045,457.40	13.94%	-
Hainesport	1,019,449.32	1,019,449.32	13.60%	-
Lumberton	1,974,530.65	1,974,530.65	26.33%	-
Mount Holly	1,513,598.91	1,513,598.91	20.19%	-
Westampton	1,944,765.72	1,944,765.72	25.94%	-
	<u>7,497,802.00</u>	<u>7,497,802.00</u>	<u>100.00%</u>	<u>-</u>

(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.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Ratios of Outstanding Debt by Type  
Last Eight Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Governmental Activities		Business-Type	Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Capital Leases	Capital Leases			
<b>2010</b>						
Eastampton	\$ 2,357,401.61	\$ 143,887.59	\$ -	\$ 2,501,289.21	Unavailable	Unavailable
Hainesport	4,033,521.96	246,192.15	-	4,279,714.11	Unavailable	Unavailable
Lumberton	6,852,955.85	418,280.58	-	7,271,236.44	Unavailable	Unavailable
Mount Holly	3,065,119.46	187,084.23	-	3,252,203.69	Unavailable	Unavailable
Westampton	5,514,001.11	336,555.45	-	5,850,556.56	Unavailable	Unavailable
	<u>21,823,000.00</u>	<u>1,332,000.00</u>	<u>-</u>	<u>23,155,000.00</u>		
<b>2009</b>						
Eastampton	2,476,508.29	182,023.85	-	2,658,532.14	Unavailable	\$ 407.25
Hainesport	4,172,981.51	306,714.97	-	4,479,696.48	Unavailable	752.76
Lumberton	7,097,044.22	521,634.16	-	7,618,678.38	Unavailable	637.17
Mount Holly	3,235,134.64	237,783.04	-	3,472,917.68	Unavailable	339.48
Westampton	5,671,331.34	416,843.98	-	6,088,175.32	Unavailable	702.94
	<u>22,653,000.00</u>	<u>1,665,000.00</u>	<u>-</u>	<u>24,318,000.00</u>		
<b>2008</b>						
Eastampton	2,585,071.06	13,435.60	-	2,598,506.66	0.85%	396.84
Hainesport	4,234,662.43	22,009.15	-	4,256,671.58	1.54%	714.81
Lumberton	7,367,434.79	38,291.36	-	7,405,726.15	1.33%	617.71
Mount Holly	3,367,033.11	17,499.75	-	3,384,532.86	0.71%	329.52
Westampton	5,808,798.61	30,190.53	-	5,838,989.15	1.46%	678.24
	<u>23,363,000.00</u>	<u>121,426.39</u>	<u>-</u>	<u>23,484,426.39</u>		
<b>2007</b>						
Eastampton	2,437,245.72	26,970.78	-	2,464,216.50	0.83%	377.48
Hainesport	3,857,267.95	42,684.87	-	3,899,952.81	1.43%	650.32
Lumberton	6,838,017.72	75,670.11	-	6,913,687.82	1.26%	572.80
Mount Holly	3,087,494.41	34,166.48	-	3,121,660.89	0.66%	301.76
Westampton	5,369,974.20	59,424.61	-	5,429,398.81	1.39%	632.06
	<u>21,590,000.00</u>	<u>238,916.84</u>	<u>-</u>	<u>21,828,916.84</u>		
<b>2006</b>						
Eastampton	2,578,916.00	52,848.95	-	2,631,764.95	0.91%	396.29
Hainesport	3,884,010.46	79,593.86	-	3,963,604.32	1.49%	649.88
Lumberton	7,090,431.69	145,302.09	-	7,235,733.78	1.36%	592.32
Mount Holly	3,225,690.10	66,103.10	-	3,291,793.20	0.72%	312.40
Westampton	5,520,951.76	113,139.21	-	5,634,090.97	1.49%	648.94
	<u>22,300,000.00</u>	<u>456,987.21</u>	<u>-</u>	<u>22,756,987.21</u>		
<b>2005</b>						
Eastampton	2,777,353.63	80,697.40	-	2,858,051.03	1.05%	428.94
Hainesport	3,838,613.93	111,532.85	-	3,950,146.78	1.60%	653.35
Lumberton	7,272,661.61	211,310.82	-	7,483,972.43	1.49%	609.00
Mount Holly	3,463,168.06	100,624.08	-	3,563,792.14	0.83%	336.75
Westampton	5,658,202.77	164,401.91	-	5,822,604.68	1.67%	680.05
	<u>23,010,000.00</u>	<u>668,567.06</u>	<u>-</u>	<u>23,678,567.06</u>		
<b>2004</b>						
Eastampton	2,818,730.21	111,851.27	-	2,930,581.48	1.11%	438.05
Hainesport	3,539,451.35	140,450.53	-	3,679,901.88	1.54%	608.75
Lumberton	6,985,841.22	277,208.24	-	7,263,049.46	1.50%	596.02
Mount Holly	3,609,918.61	143,246.77	-	3,753,165.38	0.89%	351.72
Westampton	5,479,058.61	217,416.94	-	5,696,475.55	1.72%	682.29
	<u>22,433,000.00</u>	<u>890,173.75</u>	<u>-</u>	<u>23,323,173.75</u>		
<b>2003</b>						
Eastampton	3,055,860.31	52,951.57	-	3,108,811.88	1.24%	469.54
Hainesport	3,484,027.49	60,370.79	-	3,544,398.28	1.65%	627.66
Lumberton	6,996,167.30	121,228.71	-	7,117,396.01	1.56%	593.36
Mount Holly	4,005,310.76	69,403.52	-	4,074,714.28	1.00%	380.71
Westampton	5,601,634.14	97,064.41	-	5,698,698.55	1.89%	717.63
	<u>23,143,000.00</u>	<u>401,019.00</u>	<u>-</u>	<u>23,544,019.00</u>		

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Per Capita personal income by municipality-estimated based upon the 2000 Census published

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Ratios of Net General Bonded Debt Outstanding  
Last Eight Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions			
<u>2010</u>					
Eastampton	\$ 2,357,401.61	-	\$ 2,357,401.61	0.45%	Unavailable
Hainesport	4,033,521.96	-	4,033,521.96	0.91%	Unavailable
Lumberton	6,852,955.85	-	6,852,955.85	0.47%	Unavailable
Mount Holly	3,065,119.46	-	3,065,119.46	0.96%	Unavailable
Westampton	5,514,001.11	-	5,514,001.11	0.78%	Unavailable
	<u>21,823,000.00</u>	<u>-</u>	<u>21,823,000.00</u>		
<u>2009</u>					
Eastampton	2,476,508.29	-	2,476,508.29	0.47%	\$ 379.37
Hainesport	4,172,981.51	-	4,172,981.51	0.95%	701.22
Lumberton	7,097,044.22	-	7,097,044.22	0.49%	593.55
Mount Holly	3,235,134.64	-	3,235,134.64	1.02%	316.24
Westampton	5,671,331.34	-	5,671,331.34	0.81%	654.81
	<u>22,653,000.00</u>	<u>-</u>	<u>22,653,000.00</u>		
<u>2008</u>					
Eastampton	2,585,071.06	-	2,585,071.06	0.49%	394.79
Hainesport	4,234,662.43	-	4,234,662.43	0.97%	711.11
Lumberton	7,367,434.79	-	7,367,434.79	0.51%	614.52
Mount Holly	3,367,033.11	-	3,367,033.11	1.06%	327.82
Westampton	5,808,798.61	-	5,808,798.61	0.84%	674.74
	<u>23,363,000.00</u>	<u>-</u>	<u>23,363,000.00</u>		
<u>2007</u>					
Eastampton	2,437,245.72	-	2,437,245.72	0.47%	373.35
Hainesport	3,857,267.95	-	3,857,267.95	0.89%	643.20
Lumberton	6,838,017.72	-	6,838,017.72	0.48%	566.53
Mount Holly	3,087,494.41	-	3,087,494.41	0.97%	298.45
Westampton	5,369,974.20	-	5,369,974.20	0.80%	625.14
	<u>21,590,000.00</u>	<u>-</u>	<u>21,590,000.00</u>		
<u>2006</u>					
Eastampton	2,578,916.00	-	2,578,916.00	0.49%	388.33
Hainesport	3,884,010.46	-	3,884,010.46	0.91%	636.83
Lumberton	7,090,431.69	-	7,090,431.69	0.96%	580.42
Mount Holly	3,225,690.10	-	3,225,690.10	1.01%	306.13
Westampton	5,520,951.76	-	5,520,951.76	0.84%	635.91
	<u>22,300,000.00</u>	<u>-</u>	<u>22,300,000.00</u>		
<u>2005</u>					
Eastampton	2,777,353.63	-	2,777,353.63	1.11%	416.83
Hainesport	3,838,613.93	-	3,838,613.93	0.93%	634.90
Lumberton	7,272,661.61	-	7,272,661.61	1.02%	591.80
Mount Holly	3,463,168.06	-	3,463,168.06	1.07%	327.24
Westampton	5,658,202.77	-	5,658,202.77	0.91%	660.85
	<u>23,010,000.00</u>	<u>-</u>	<u>23,010,000.00</u>		
<u>2004</u>					
Eastampton	2,818,730.21	-	2,818,730.21	1.13%	421.33
Hainesport	3,539,451.35	-	3,539,451.35	0.92%	585.52
Lumberton	6,985,841.22	-	6,985,841.22	1.00%	573.27
Mount Holly	3,609,918.61	-	3,609,918.61	1.11%	338.29
Westampton	5,479,058.61	-	5,479,058.61	0.93%	656.25
	<u>22,433,000.00</u>	<u>-</u>	<u>22,433,000.00</u>		
<u>2003</u>					
Eastampton	3,055,860.31	-	3,055,860.31	1.22%	461.54
Hainesport	3,484,027.49	-	3,484,027.49	1.01%	616.97
Lumberton	6,996,167.30	-	6,996,167.30	1.05%	583.26
Mount Holly	4,005,310.76	-	4,005,310.76	1.22%	374.22
Westampton	5,601,634.14	-	5,601,634.14	1.02%	705.41
	<u>23,143,000.00</u>	<u>-</u>	<u>23,143,000.00</u>		

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Per Capita personal income by municipality-estimated based upon the 2000 Census published

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
*Unaudited*

<u>Governmental Unit - Eastampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Eastampton Township (1)	\$ 9,176,212.00	100.00%	\$ 9,176,212.00
Eastampton Township Board of Education (1)	11,164,999.63	100.00%	11,164,999.63
County of Burlington (2) (A)	385,812,055.27	1.01%	<u>3,915,241.01</u>
Subtotal, overlapping debt			24,256,452.64
Rancocas Valley Regional School District Direct Debt (1) (B)	22,403,000.00	10.80%	<u>2,420,055.37</u>
Total direct and overlapping debt			<u>\$ 26,676,508.01</u>

## Sources:

- (1) Eastampton Township Annual Debt Statement - December 31, 2009
- (2) County of Burlington Audit Report - December 31, 2009
- (A) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2009 equalized value by the total 2009 equalized value for the County of Burlington, which results in an apportionment of 1.01%.
- (B) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2009 average equalized value by the total 2009 average equalized value for the entire Regional School District, which results in an apportionment of 10.80%.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
*Unaudited*

<b><u>Governmental Unit - Hainesport</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>	<b><u>Net Debt Estimated Share of Overlapping Debt</u></b>
Debt repaid with property taxes			
Hainesport Township (1)	\$ 11,918,085.40	100.00%	\$ 11,918,085.40
Hainesport Township Board of Education (1)	3,994,639.00	100.00%	3,994,639.00
County of Burlington (2) (A)	385,812,055.27	1.78%	<u>6,860,329.10</u>
Subtotal, overlapping debt			22,773,053.50
Rancocas Valley Regional School District Direct Debt (1) (B)	22,403,000.00	18.48%	<u>4,140,722.75</u>
Total direct and overlapping debt			<u>\$ 26,913,776.25</u>

## Sources:

(1) Hainesport Township Annual Debt Statement - December 31, 2009

(2) County of Burlington Audit Report - December 31, 2009

(A) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2009 equalized value by the total 2008 equalized value for the County of Burlington, which results in an apportionment of 1.78%.

(B) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2009 average equalized value by the total 2009 average equalized value for the entire Regional School District, which results in an apportionment of 18.48%.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
*Unaudited*

<u>Governmental Unit - Lumberton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Nebt Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lumberton Township (1)	\$ 9,112,126.00	100.00%	\$ 9,112,126.00
Lumberton Township Board of Education (1)	16,445,000.00	100.00%	16,445,000.00
County of Burlington (2) (A)	385,812,055.27	2.98%	<u>11,485,237.02</u>
Subtotal, overlapping debt			37,042,363.02
Rancocas Valley Regional School District Direct Debt (1) (B)	22,403,000.00	31.40%	<u>7,035,090.04</u>
Total direct and overlapping debt			<u>\$ 44,077,453.06</u>

## Sources:

(1) Lumberton Township Annual Debt Statement - December 31, 2009

(2) County of Burlington Audit Report - December 31, 2009

(A) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2008 equalized value by the total 2009 equalized value for the County of Burlington, which results in an apportionment of 2.98%.

(B) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2009 average equalized value by the total 2009 average equalized value for the entire Regional School District, which results in an apportionment of 31.40%.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
*Unaudited*

<b><u>Governmental Unit - Mount Holly</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>	<b><u>Net Debt Estimated Share of Overlapping Debt</u></b>
Debt repaid with property taxes			
Mount Holly Township (1)	\$ 17,671,073.39	100.00%	\$ 17,671,073.39
Mount Holly Township Board of Education (1)	-	100.00%	-
County of Burlington (2) (A)	385,812,055.27	1.32%	<u>5,073,696.22</u>
Subtotal, overlapping debt			22,744,769.61
Rancocas Valley Regional School District Direct Debt (1) (B)	22,403,000.00	14.05%	<u>3,146,582.56</u>
Total direct and overlapping debt			<u>\$ 25,891,352.17</u>

## Sources:

(1) Mount Holly Township Annual Debt Statement - December 31, 2009

(2) County of Burlington Audit Report - December 31, 2009

(A) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2009 equalized value by the total 2009 equalized value for the County of Burlington, which results in an apportionment of 1.32%.

(B) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2009 average equalized value by the total 2009 average equalized value for the entire Regional School District, which results in an apportionment of 14.05%.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2009  
*Unaudited*

<u>Governmental Unit - Westampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Westampton Township (1)	\$ 4,644,132.12	100.00%	\$ 4,644,132.12
Westampton Township Board of Education (1)	9,594,894.00	100.00%	9,594,894.00
County of Burlington (2) (A)	385,812,055.27	2.39%	<u>9,228,427.01</u>
Subtotal, overlapping debt			23,467,453.13
Rancocas Valley Regional School District Direct Debt (1) (B)	22,403,000.00	25.27%	<u>5,660,549.28</u>
Total direct and overlapping debt			<u>\$ 29,128,002.41</u>

## Sources:

(1) Westampton Township Annual Debt Statement - December 31, 2009

(2) County of Burlington Audit Report - December 31, 2009

(A) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2009 equalized value by the total 2009 equalized value for the County of Burlington, which results in an apportionment of 2.39%.

(B) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2009 average equalized value by the total 2009 average equalized value for the entire Regional School District, which results in an apportionment of 25.27%.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Eight Fiscal Years  
*Unaudited*

Eastampton

**Legal Debt Margin Calculation for Fiscal Year 2010**

	<u>Equalized Valuation Basis (1)</u>	
	2009	\$ 515,033,596.00
	2008	532,280,543.00
	2007	<u>524,029,906.00</u>
	[A]	<u>\$ 1,571,344,045.00</u>
Average equalized valuation of taxable property	[A/3]	\$ 523,781,348.33
Debt limit (3% of average equalization value) (2)	[B]	15,713,440.45
Total Net Debt Applicable to Limit	[C]	<u>2,357,401.61</u>
Legal Debt Margin	[B-C]	<u>\$ 13,356,038.84</u>

Fiscal Year Ended June 30,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debt Limit	\$ 15,713,440.45	\$ 15,475,427.72	\$ 14,413,718.07	\$ 12,939,004.20	\$ 11,319,459.39	\$ 9,982,047.12	\$ 8,906,508.27	\$ 8,221,344.66
Total net debt applicable to limit (3)	<u>2,357,401.61</u>	<u>2,476,508.29</u>	<u>2,585,071.06</u>	<u>2,437,245.72</u>	<u>2,578,916.00</u>	<u>2,777,353.65</u>	<u>2,818,730.21</u>	<u>3,055,860.31</u>
Legal Debt Margin	<u>\$ 13,356,038.84</u>	<u>\$ 12,998,919.43</u>	<u>\$ 11,828,647.01</u>	<u>\$ 10,501,758.48</u>	<u>\$ 8,740,543.39</u>	<u>\$ 7,204,693.47</u>	<u>\$ 6,087,778.06</u>	<u>\$ 5,165,484.35</u>
Total net debt applicable to the limit as a percentage of debt limit	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

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 NJSA 18A:24-19 for a 9 through 12 district.
- (3) District Records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Eight Fiscal Years  
*Unaudited*

Hainesport

**Legal Debt Margin Calculation for Fiscal Year 2010**

<u>Equalized Valuation Basis (1)</u>	
2009	\$ 877,699,606.00
2008	927,057,820.00
2007	<u>883,817,439.00</u>
[A]	<u>\$ 2,688,574,865.00</u>
Average equalized valuation of taxable property	
[A/3]	\$ 896,191,621.67
Debt limit (3% of average equalization value) (2)	
[B]	26,885,748.65
[C]	<u>4,033,521.96</u>
Total Net Debt Applicable to Limit	
[B-C]	<u>\$ 22,852,226.69</u>

Fiscal Year Ended June 30,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	\$ 26,885,748.65	\$ 26,076,502.17	\$ 23,611,432.29	\$ 20,477,708.45	\$ 17,047,821.12	\$ 13,796,307.66	\$ 11,183,813.43	\$ 9,373,265.74
Total net debt applicable to limit (3)	<u>4,033,521.96</u>	<u>4,172,981.51</u>	<u>4,234,662.43</u>	<u>3,857,267.95</u>	<u>3,884,010.46</u>	<u>3,838,613.96</u>	<u>3,539,451.35</u>	<u>3,484,027.48</u>
Legal Debt Margin	<u>\$ 22,852,226.69</u>	<u>\$ 21,903,520.66</u>	<u>\$ 19,376,769.86</u>	<u>\$ 16,620,440.50</u>	<u>\$ 13,163,810.66</u>	<u>\$ 9,957,693.70</u>	<u>\$ 7,644,362.08</u>	<u>\$ 5,889,238.26</u>
Total net debt applicable to the limit as a percentage of debt limit	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

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 NJSA 18A:24-19 for a 9 through 12 district.
- (3) District Records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Eight Fiscal Years  
*Unaudited*

Lumberton

**Legal Debt Margin Calculation for Fiscal Year 2010**

<u>Equalized Valuation Basis (1)</u>	
2009	\$ 1,515,472,295.00
2008	1,544,681,806.00
2007	1,507,735,950.00
[A]	<u>\$ 4,567,890,051.00</u>

Average equalized valuation of taxable property

[A/3]	\$ 1,522,630,017.00
-------	---------------------

Debt limit (3% of average equalization value) (2)

[B]	45,678,900.51
-----	---------------

Total Net Debt Applicable to Limit

[C]	<u>6,852,955.85</u>
-----	---------------------

Legal Debt Margin

[B-C]	<u>\$ 38,825,944.66</u>
-------	-------------------------

Fiscal Year Ended June 30,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	\$ 45,678,900.51	\$ 44,348,648.15	\$ 41,078,997.63	\$ 36,302,100.22	\$ 31,121,546.25	\$ 26,138,568.93	\$ 22,073,575.00	\$ 17,902,027.89
Total net debt applicable to limit (3)	<u>6,852,955.85</u>	<u>7,097,044.22</u>	<u>7,367,434.79</u>	<u>6,838,017.72</u>	<u>7,090,431.69</u>	<u>7,272,661.50</u>	<u>6,985,841.22</u>	<u>6,996,167.30</u>
Legal Debt Margin	<u>\$ 38,825,944.66</u>	<u>\$ 37,251,603.93</u>	<u>\$ 33,711,562.84</u>	<u>\$ 29,464,082.50</u>	<u>\$ 24,031,114.56</u>	<u>\$ 18,865,907.43</u>	<u>\$ 15,087,733.78</u>	<u>\$ 10,905,860.59</u>
Total net debt applicable to the limit as a percentage of debt limit	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	39.08%

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 NJSA 18A:24-19 for a 9 through 12 district.
- (3) District Records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Eight Fiscal Years  
*Unaudited*

**Mount Holly**

**Legal Debt Margin Calculation for Fiscal Year 2010**

	<u>Equalized Valuation Basis (1)</u>	
	2009	\$ 657,561,923.00
	2008	685,876,033.00
	2007	<u>699,640,826.00</u>
	[A]	<u>\$ 2,043,078,782.00</u>
Average equalized valuation of taxable property	[A/3]	\$ 681,026,260.67
Debt limit (3% of average equalization value) (2)	[B]	20,430,787.82
Total Net Debt Applicable to Limit	[C]	<u>3,065,119.46</u>
Legal Debt Margin	[B-C]	<u>\$ 17,365,668.36</u>

	Fiscal Year Ended June 30.							
	2010	2009	2008	2007	2006	2005	2004	2003
Debt Limit	\$ 20,430,787.82	\$ 20,216,000.25	\$ 18,773,745.43	\$ 16,391,086.99	\$ 14,158,306.65	\$ 12,446,922.97	\$ 11,406,472.98	\$ 10,775,702.05
Total net debt applicable to limit (3)	<u>3,065,119.46</u>	<u>3,235,134.64</u>	<u>3,367,033.11</u>	<u>3,087,494.41</u>	<u>3,225,690.10</u>	<u>3,463,168.08</u>	<u>3,609,918.61</u>	<u>4,005,310.76</u>
Legal Debt Margin	<u>\$ 17,365,668.36</u>	<u>\$ 16,980,865.61</u>	<u>\$ 15,406,712.32</u>	<u>\$ 13,303,592.58</u>	<u>\$ 10,932,616.55</u>	<u>\$ 8,983,754.89</u>	<u>\$ 7,796,554.37</u>	<u>\$ 6,770,391.29</u>
Total net debt applicable to the limit as a percentage of debt limit	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

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 NJSIA 18A:24-19 for a 9 through 12 district.  
 (3) District Records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Eight Fiscal Years  
*Unaudited*

Westampton

**Legal Debt Margin Calculation for Fiscal Year 2010**

	<u>Equalized Valuation Basis (1)</u>	
	2009	\$ 1,229,183,973.00
	2008	1,245,744,944.00
	2007	1,200,470,635.00
	[A]	<u>\$ 3,675,399,552.00</u>
Average equalized valuation of taxable property	[A/3]	\$ 1,225,133,184.00
Debt limit (3% of average equalization value) (2)	[B]	36,753,995.52
Total Net Debt Applicable to Limit	[C]	<u>5,514,001.11</u>
Legal Debt Margin	[B-C]	<u>\$ 31,239,994.41</u>

Fiscal Year Ended June 30,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	\$ 36,753,995.52	\$ 35,439,525.31	\$ 32,388,427.04	\$ 28,508,459.97	\$ 24,232,735.47	\$ 20,336,065.98	\$ 17,312,505.01	\$ 14,584,153.42
Total net debt applicable to limit (3)	<u>5,514,001.11</u>	<u>5,671,331.34</u>	<u>5,808,798.61</u>	<u>5,369,974.20</u>	<u>5,520,951.76</u>	<u>5,658,202.81</u>	<u>5,479,058.61</u>	<u>5,601,634.14</u>
Legal Debt Margin	<u>\$ 31,239,994.41</u>	<u>\$ 29,768,193.97</u>	<u>\$ 26,579,628.43</u>	<u>\$ 23,138,485.77</u>	<u>\$ 18,711,783.71</u>	<u>\$ 14,677,863.17</u>	<u>\$ 11,833,446.40</u>	<u>\$ 8,982,519.28</u>
Total net debt applicable to the limit as a percentage of debt limit	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	38.41%

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 NJSA 18A:24-19 for a 9 through 12 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.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Demographic and Economic Statistics  
Last Eight Years  
*Unaudited*

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
<u>2009</u>				
Eastampton	6,528	Unavailable	Unavailable	6.20%
Hainesport	5,951	Unavailable	Unavailable	7.10%
Lumberton	11,957	Unavailable	Unavailable	8.20%
Mount Holly	10,230	Unavailable	Unavailable	13.30%
Westampton	8,661	Unavailable	Unavailable	7.60%
<u>2008</u>				
Eastampton	6,548	\$ 304,901,072.00	\$ 46,564.00	3.50%
Hainesport	5,955	277,288,620.00	46,564.00	4.10%
Lumberton	11,989	558,255,796.00	46,564.00	4.70%
Mount Holly	10,271	478,258,844.00	46,564.00	7.90%
Westampton	8,609	400,869,476.00	46,564.00	4.40%
<u>2007</u>				
Eastampton	6,528	296,782,464.00	45,463.00	2.60%
Hainesport	5,997	272,641,611.00	45,463.00	3.00%
Lumberton	12,070	548,738,410.00	45,463.00	3.40%
Mount Holly	10,345	470,314,735.00	45,463.00	5.80%
Westampton	8,590	390,527,170.00	45,463.00	3.20%
<u>2006</u>				
Eastampton	6,641	289,222,191.00	43,551.00	2.80%
Hainesport	6,099	265,617,549.00	43,551.00	3.30%
Lumberton	12,216	532,019,016.00	43,551.00	3.80%
Mount Holly	10,537	458,896,887.00	43,551.00	6.40%
Westampton	8,682	378,109,782.00	43,551.00	3.50%
<u>2005</u>				
Eastampton	6,663	271,817,085.00	40,795.00	2.60%
Hainesport	6,046	246,646,570.00	40,795.00	2.60%
Lumberton	12,289	501,329,755.00	40,795.00	3.50%
Mount Holly	10,583	431,733,485.00	40,795.00	5.90%
Westampton	8,562	349,286,790.00	40,795.00	3.00%
<u>2004</u>				
Eastampton	6,690	264,964,140.00	39,606.00	4.40%
Hainesport	6,045	239,418,270.00	39,606.00	2.90%
Lumberton	12,186	482,638,716.00	39,606.00	3.80%
Mount Holly	10,671	422,635,626.00	39,606.00	6.90%
Westampton	8,349	330,670,494.00	39,606.00	3.50%
<u>2003</u>				
Eastampton	6,621	251,478,822.00	37,982.00	4.90%
Hainesport	5,647	214,484,354.00	37,982.00	3.20%
Lumberton	11,995	455,594,090.00	37,982.00	4.20%
Mount Holly	10,703	406,521,346.00	37,982.00	7.50%
Westampton	7,941	301,615,062.00	37,982.00	3.90%
<u>2002</u>				
Eastampton	6,563	244,793,337.00	37,299.00	4.90%
Hainesport	5,213	194,439,687.00	37,299.00	3.20%
Lumberton	11,604	432,817,596.00	37,299.00	4.20%
Mount Holly	10,702	399,173,898.00	37,299.00	7.50%
Westampton	7,523	280,600,377.00	37,299.00	3.80%

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Principal Employers  
Current Year and Ten Years Ago  
*Unaudited*

<u>Employer</u>	<u>2010</u>			<u>2001</u>		
	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
<b><u>Eastampton</u></b>						
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%
<b><u>Hainesport</u></b>						
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%
<b><u>Lumberton</u></b>						
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

(Continued)

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Principal Employers  
 Current Year and Ten Years Ago  
*Unaudited*

<u>Mount Holly</u>	<u>2010</u>			<u>2001</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	<b><u>Information Not Available</u></b>						
			1			1	
			2			2	
			3			3	
			4			4	
			5			5	
			6			6	
			7			7	
			8			8	
			8			8	
			10			10	
		-		0.00%		-	0.00%

<u>Westampton</u>	<u>2010</u>			<u>2001</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	<b><u>Information Not Available</u></b>						
			1			1	
			2			2	
			3			3	
			4			4	
			5			5	
			6			6	
			7			7	
			8			8	
			8			8	
			10			10	
		-		0.00%		-	0.00%

## Operating Information

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

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Eight Fiscal Years  
*Unaudited*

<u>Function/Program</u>	Fiscal Year Ended June 30,							
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Instruction:	110	114	118	119	120	121	121	124
Regular	20	22	22	21	21	21	21	21
Special education	1	1	1	1	1	1	0	0
Other special education	1	1	1	1	1	1	1	1
Other instruction								
Support Services:								
Tuition	0	0	0	0	0	0	0	0
Student & instruction related services	26	27	29	36	34	34	36	35
General administration	3	3	3	4	4	4	4	4
School Administrative services	22	24	26	16	17	17	20	20
Central Services	0	0	5	5	5	5	5	5
Administrative information technology	0	0	4	4	4	4	5	5
General and Business Administrative Services	8	8	0	0	0	0	0	0
Plant operations and maintenance	26	26	26	26	26	26	26	26
Pupil transportation	0	0	0	0	0	0	0	0
Unallocated Benefits	0	0	0	0	0	0	0	0
Special Schools	2	2	2	3	3	3	3	3
Food Service	0	0	0	0	0	0	0	0
<b>Total</b>	<u>219</u>	<u>228</u>	<u>237</u>	<u>236</u>	<u>236</u>	<u>237</u>	<u>242</u>	<u>244</u>

**Source:** District Personnel Records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Operating Statistics  
Last Eight Fiscal Years  
*Unaudited*

Fiscal Year June 30,	Pupil/Teacher Ratio											
	Average Daily Enrollment (ADE) <sup>c</sup>	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2010	2,176	\$34,493,527.20	\$15,851.80	3.44%	146	N/A	N/A	14.00 to 1	2,175.7	2,054.6	0.83%	94.43%
2009	2,158	33,072,017.34	15,325.31	4.50%	143	N/A	N/A	14.60 to 1	2,157.7	2,041.6	-3.91%	94.62%
2008	2,245	32,930,914.30	14,665.95	8.58%	144	N/A	N/A	15.50 to 1	2,245.4	2,122.9	-2.42%	94.54%
2007	2,301	31,078,344.27	13,506.45	3.01%	143	N/A	N/A	14.30 to 1	2,301.2	2,168.2	4.02%	94.22%
2006	2,212	29,002,940.30	13,111.64	5.34%	142	N/A	N/A	14.26 to 1	2,212.3	2,088.2	0.59%	94.39%
2005	2,199	27,369,829.14	12,446.49	3.34%	142	N/A	N/A	14.20 to 1	2,199.3	2,053.8	3.27%	93.38%
2004	2,129	25,641,143.17	12,043.75	7.62%	138	N/A	N/A	13.30 to 1	2,129.7	1,970.3	3.70%	92.52%
2003	2,053	22,975,338.23	11,191.10	N/A	132	N/A	N/A	14.50 to 1	2,053.7	1,895.7	5.54%	92.31%

**Sources:** District records

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 School Building Information  
 Last Eight Fiscal Years  
*Unaudited*

	2003	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b><u>District Building</u></b>								
Senior High School								
Ranococas Valley (1954)								
Square Feet	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574
Capacity (students)	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment	2,200	2,287	2,345	2,367	2,414	2,390	2,340	2,312

Number of Schools at June 30, 2010  
 Elementary = 0  
 Middle School = 0  
 Senior High School = 1  
 Other = 1

**Source:** District Records

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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

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

		Fiscal Year Ended June 30,									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<u>* School Facilities</u>	<u>School Number</u>	<u>Project #(s)</u>									
RVRHS	050	\$388,119.70	\$459,051.77	\$640,772.43	\$505,945.85	\$560,597.21	\$586,775.89	\$604,318.77	\$649,168.72	\$643,961.20	\$673,746.31

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

Source: District records

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Insurance Schedule  
June 30, 2010  
*Unaudited*

	<u>Coverage</u>	<u>Deductible</u>
Property Section:		
Blanket Building and Business Personal Property	\$65,865,514	\$ 5,000
General Liability Section:		
Products and Completed Operations Limit	16,000,000	
Personal Advertising Injury Limit	16,000,000	
Bodily Injury and Property Damage Limit	16,000,000	
Commercial Inland Marine Section:		
Blanket Hardware	1,911,932	1,000
Boiler and Machinery Section:		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000	5,000
Commercial Crime Section:		
Employee Dishonesty Coverage	100,000	500
Business Auto Section:		
Combined Single Limit	16,000,000	1,000
Pollution Liability:		
Environmental Impairment Incident Limit	1,000,000	10,000
Environmental Impairment Aggregate Limit	2,000,000	10,000
School District Legal Liability Coverage:		
Each Policy Period	16,000,000	5,000
Workers Compensation Coverages:		
Each Accident	2,000,000	
Disease - Policy Limit	2,000,000	
Disease - Each Employee	2,000,000	
Student Accident:		
Compulsory Student Accident Coverage	1,000,000	
Surety Bonds:		
Robert L. Sapp, Board Secretary	100,000	
Lawrence E. Fisher, Treasurer	300,000	

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  
Rancocas Valley Regional High School District  
Mount Holly, New Jersey 08060

**Compliance**

We have audited the Rancocas Valley Regional High 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 Rancocas Valley Regional High 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 Rancocas Valley Regional High 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**

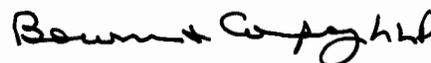
Management of the Rancocas Valley Regional High School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered 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 finance committee, 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



Henry J. Ludwigsen  
Certified Public Accountant  
Public School Accountant No.CS001112

Woodbury, New Jersey  
November 30, 2010

**RANCOCAS VALLEY REGIONAL HIGH 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 From</u>	<u>To</u>	<u>Balance June 30, 2009</u>
<b>General Fund:</b>						
<b>U.S. Department of Education:</b>						
Passed-through State Department of Education:						
ARRA - Education Stabilization Fund	84.394	N/A	\$ 2,499,610.00	7/1/2009	6/30/2010	
ARRA - Government Services Fund	84.397	N/A	96,764.00	7/1/2009	6/30/2009	<u>                    </u>
General Fund - Total U.S. Department of Education						<u>                    -</u>
<b>Special Revenue Fund:</b>						
<b>U.S. Department of Education:</b>						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	08-4320	66,672.00	9-1-2008	8-31-2009	\$ (56,772.00)
Title I	84.010	09-4320	113,166.00	9-1-2009	8-31-2010	
ARRA - Title I	84.389	09-4320	81,142.00	9-1-2009	8-31-2011	
Title I Part SIA	84.010	08-4320	16,225.00	9-1-2008	8-31-2009	(16,225.00)
Title I Part SIA	84.010	09-4320	23,410.00	9-1-2009	8-31-2010	
ARRA - Title I Part SIA	84.388	09-4320	14,256.00	9-1-2009	8-31-2011	
Title II Part A	84.367	08-4320	43,190.00	9-1-2008	8-31-2009	(43,190.00)
Title II Part A	84.367	09-4320	44,449.00	9-1-2009	8-31-2010	
Title II Part D	84.318	08-4320	554.00	9-1-2008	8-31-2009	(554.00)
Title II Part D	84.318	09-4320	1,161.00	9-1-2009	8-31-2010	
Title III	84.365	08-4320	25,358.00	9-1-2008	8-31-2009	(25,358.00)
Title III	84.365	09-4320	28,117.00	9-1-2009	8-31-2010	
Title IV	84.186	08-4320	4,094.00	9-1-2008	8-31-2009	(4,094.00)
Title IV	84.186	09-4320	4,360.00	9-1-2009	8-31-2010	
I.D.E.I.A. Part B, Basic Regular	84.027	FT-4320	299,602.00	9-1-2002	8-31-2003	743.00
I.D.E.I.A. Part B, Basic Regular	84.027	FT-4320	467,925.00	9-1-2008	8-31-2009	(167,925.00)
I.D.E.I.A. Part B, Basic Regular	84.027	FT-4320	468,280.00	9-1-2009	8-31-2010	
ARRA - I.D.E.I.A. Part B, Basic Regular	84.391	FT-4320	494,150.00	9-1-2009	8-31-2011	
Passed-through Burlington County College:						
Adult Basic Education	84.002	NA	101,800.00	9-1-2008	8-31-2009	(9,016.53)
Adult Basic Education	84.002	NA	96,800.00	9-1-2009	8-31-2010	<u>                    </u>
Special Revenue Fund - Total U.S. Department of Education						<u>                    (322,391.53)</u>
Total U.S. Department of Education						<u>                    (322,391.53)</u>
<b>General Fund:</b>						
<b>U.S. Department of Health and Human Services</b>						
Passed-through State Department of Education:						
Medical Assistance Program	93.778	N/A	5,146.31	7-01-2008	6-30-2009	(5,146.31)
Medical Assistance Program	93.778	N/A	6,472.80	7-01-2009	6-30-2010	<u>                    </u>
Total U.S. Department of Health and Human Services						<u>                    (5,146.31)</u>
Total General Fund						<u>                    (5,146.31)</u>
<b>Enterprise Fund:</b>						
<b>U.S. Department of Agriculture</b>						
Passed-through State Department of Education:						
Non-Cash Assistance (Food Distribution):						
Food Distribution Program	10.555	N/A	20,131.22	7-1-2008	6-30-2009	1,211.89
Food Distribution Program	10.555	N/A	40,164.00	7-1-2009	6-30-2010	
Cash Assistance:						
National School Lunch Program	10.555	N/A	121,072.01	7-1-2008	6-30-2009	(21,997.67)
National School Lunch Program	10.555	N/A	131,097.78	7-1-2009	6-30-2010	
National School Breakfast Program	10.553	N/A	17,670.00	7-1-2008	6-30-2009	(3,550.73)
National School Breakfast Program	10.553	N/A	20,054.84	7-1-2009	6-30-2010	<u>                    </u>
Total U.S. Department of Agriculture						<u>                    (24,336.51)</u>
Total Enterprise Fund						<u>                    (24,336.51)</u>
Total Federal Financial Assistance						<u>                    \$ (351,874.35)</u>

The accompanying Notes to Financial Statements and 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	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30 ,2010		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor at June 30, 2010
	\$ 2,499,610.00	\$ (2,499,610.00)					
	96,764.00	(96,764.00)					
-	2,596,374.00	(2,596,374.00)	-	-	-	-	-
	\$ 56,772.00	\$ (9,900.00)			\$ (9,900.00)		
		(74,745.00)			(74,745.00)		
		(10,128.79)			(10,128.79)		
		(14,400.00)			(14,400.00)		
	43,190.00	(44,449.00)			(44,449.00)		
	554.00	(1,161.00)			(1,161.00)		
	25,358.00	(28,117.00)			(28,117.00)		
	4,094.00	(4,360.00)			(4,360.00)		
	167,925.00	(468,280.00)			(468,280.00)		\$ 743.00
		(493,607.65)			(493,607.65)		
	9,016.53						
	81,442.47	(83,209.45)			(1,766.98)		
-	388,352.00	(1,232,357.89)	-	-	(1,167,140.42)	-	743.00
-	2,984,726.00	(3,828,731.89)	-	-	(1,167,140.42)	-	743.00
	5,146.31						
	6,270.98	(6,270.98)					
-	11,417.29	(6,270.98)	-	-	-	-	-
-	2,607,791.29	(2,602,644.98)	-	-	-	-	-
	40,164.00	(1,211.89)					
		(40,164.00)					
	21,997.67						
	119,521.28	(131,097.78)			(11,576.50)		
	3,550.73						
	18,015.06	(20,054.84)			(2,039.78)		
-	203,248.74	(192,528.51)	-	-	(13,616.28)	-	-
-	203,248.74	(192,528.51)	-	-	(13,616.28)	-	-
\$ -	\$ 3,199,392.03	\$ (4,027,531.38)	\$ -	\$ -	\$ (1,180,756.70)	\$ -	\$ 743.00

**RANCOCAS VALLEY REGIONAL HIGH 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>Grant Period</u>		<u>Balance at June 30, 2009</u>		<u>Carryover / (Walkover) Amount</u>
			<u>From</u>	<u>To</u>	<u>Deferred Revenue/ Accounts Receivable</u>	<u>Due to Grantor</u>	
<b>State Department of Education(State Aid):</b>							
<b>General Fund:</b>							
Transportation Aid	09-495-034-5120-014	\$ 920,284.00	7-1-2008	6-30-2009	\$ (82,331.01)		
Transportation Aid	10-495-034-5120-014	597,846.00	7-1-2009	6-30-2010			
Categorical Special Education Aid	09-495-034-5120-089	1,222,932.00	7-1-2008	6-30-2009	(109,406.69)		
Categorical Special Education Aid	10-495-034-5120-089	1,187,269.00	7-1-2009	6-30-2010			
Equalization Aid	09-495-034-5120-078	14,469,946.00	7-1-2008	6-30-2009	(1,294,519.10)		
Equalization Aid	10-495-034-5120-078	7,827,002.00	7-1-2009	6-30-2010			
Categorical Security Aid	09-495-034-5120-084	192,052.00	7-1-2008	6-30-2009	(17,181.47)		
Categorical Security Aid	10-495-034-5120-084	138,371.00	7-1-2009	6-30-2010			
Adjustment Aid	10-495-034-5120-085	166,661.00	7-1-2009	6-30-2010			
Adult Education Aid	09-495-034-5120-077	64,728.00	7-1-2008	6-30-2009	(5,790.73)		
Adult Education Aid	10-495-034-5120-077	64,168.00	7-1-2009	6-30-2010			
Extraordinary Aid	09-495-034-5120-044	111,181.00	7-1-2008	6-30-2009	(111,181.00)		
Extraordinary Aid	10-495-034-5120-044	94,673.00	7-1-2009	6-30-2010			
Nonpublic School Transportation Costs	09-495-034-5120-044	8,178.00	7-1-2008	6-30-2009	(8,178.00)		
Nonpublic School Transportation Costs	10-495-034-5120-044	12,886.00	7-1-2009	6-30-2010			
Reimbursed TPAF Social Security Contributions	09-495-034-5095-002	848,475.74	7-1-2008	6-30-2009	(42,287.45)		
Reimbursed TPAF Social Security Contributions	10-495-034-5095-002	901,819.18	7-1-2009	6-30-2010			
Total General Fund					<u>(1,670,875.45)</u>	<u>-</u>	<u>-</u>
<b>Debt Service Fund:</b>							
Debt Service Aid	10-495-034-5120-125	906,334.00	7-1-2009	6-30-2010			
<b>Enterprise Fund:</b>							
National School Lunch Program	09-100-010-3360-067	6,385.06	7-1-2008	6-30-2009	(1,156.46)		
National School Lunch Program	10-100-010-3360-067	6,998.82	7-1-2009	6-30-2010			
National School Breakfast Program	09-100-010-3360-096	1,449.10	7-1-2008	6-30-2009	(295.90)		
National School Breakfast Program	10-100-010-3360-096	1,573.10	7-1-2009	6-30-2010			
Total Enterprise Fund					<u>(1,452.36)</u>	<u>-</u>	<u>-</u>
Total State Financial Assistance					<u>\$ (1,672,327.81)</u>	<u>\$ -</u>	<u>\$ -</u>

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

Cash <u>Received</u>	<u>Adjustments</u>	Budgetary <u>Expenditures</u>	Repayment of Prior Years' <u>Balances</u>	Balance June 30, 2010			Memo	
				<u>Accounts Receivable</u>	<u>Deferred Revenue</u>	<u>Due to Grantor</u>	<u>Budgetary Receivable June 30, 2010</u>	<u>Cumulative Total Expenditures</u>
\$ 82,331.01								
506,693.52		\$ (597,846.00)		\$ (91,152.48)			\$ (91,152.48)	\$ 597,846.00
109,406.69								
1,006,248.28		(1,187,269.00)		(181,020.72)			(181,020.72)	1,187,269.00
1,294,519.10								
6,633,633.44		(7,827,002.00)		(1,193,368.56)			(1,193,368.56)	7,827,002.00
17,181.47								
117,273.83		(138,371.00)		(21,097.17)			(21,097.17)	138,371.00
141,250.50		(166,661.00)		(25,410.50)			(25,410.50)	166,661.00
5,790.73								
54,384.42		(64,168.00)		(9,783.58)			(9,783.58)	64,168.00
111,181.00								
		(94,673.00)		(94,673.00)				94,673.00
8,178.00								
		(12,886.00)		(12,886.00)				12,886.00
42,287.45								
856,940.55		(901,819.18)		(44,878.63)				901,819.18
<u>10,987,300.00</u>	<u>-</u>	<u>(10,990,695.18)</u>	<u>-</u>	<u>(1,674,270.63)</u>	<u>-</u>	<u>-</u>	<u>(1,521,833.00)</u>	<u>10,990,695.18</u>
<u>906,334.00</u>		<u>(906,334.00)</u>						<u>906,334.00</u>
1,156.46								
6,405.58		(6,998.82)		(593.24)				6,998.82
295.90								
1,415.60		(1,573.10)		(157.50)				1,573.10
<u>9,273.54</u>	<u>-</u>	<u>(8,571.92)</u>	<u>-</u>	<u>(750.74)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,571.92</u>
<u>\$ 11,902,907.54</u>	<u>\$ -</u>	<u>\$ (11,905,601.10)</u>	<u>\$ -</u>	<u>\$ (1,675,021.37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,521,833.00)</u>	<u>\$ 11,905,601.10</u>

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2010

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Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Rancocas Valley Regional High 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 and state awards 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 one or more deferred June state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments 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 one or two state June payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$12,604.00) for the general fund and (\$375,620.34) 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 revenues are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<b><u>Fund</u></b>	<b><u>Federal</u></b>	<b><u>State</u></b>	<b><u>Total</u></b>
General Fund	\$ 2,602,644.98	\$ 11,731,842.18	\$ 14,334,487.16
Special Revenue Fund	856,737.55		856,737.55
Debt Service Fund		906,334.00	906,334.00
Food Service Fund	<u>191,316.62</u>	<u>8,571.92</u>	<u>199,888.54</u>
Total Financial Awards	<u>\$ 3,650,699.15</u>	<u>\$ 12,646,748.10</u>	<u>\$ 16,297,447.25</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**

Amounts reported in the column entitled "Adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2008-2009.

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 employer's share of social security contributions for TPAF members for the fiscal 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

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2010

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unqualified

Internal control over financial reporting:

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 not considered to be a material weakness?      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>84.027</u>	<u>I.D.E.I.A. Part B, Basic Regular</u>
<u>84.391</u>	<u>ARRA - I.D.E.I.A. Part B, Basic Regular</u>
<u>84.394</u>	<u>ARRA - Education Stabilization Fund</u>
<u>84.397</u>	<u>ARRA - Government Services Fund</u>

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee?   X   yes      no      n/a

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2010

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

**State Financial Assistance**

Internal control over compliance:

Material weaknesses identified?        yes   X   no

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

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

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

Identification of major programs:

<b><u>GMIS Numbers</u></b>	<b><u>Name of State Program</u></b>
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Categorical Security Aid</u>
<u>495-034-5120-077</u>	<u>Adult Education Aid</u>
<u>495-034-5120-085</u>	<u>Adjustment Aid</u>

Dollar threshold used to determine Type A programs        \$ 357,168

Auditee qualified as low-risk auditee?   X   yes        no        n/a

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2010

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***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.

No Current Year Findings.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2010

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***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.

No Current Year Findings.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2010

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***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.

No Current Year Findings.

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
And Questioned Costs as Prepared by Management

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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**

No Prior Year Findings

**FEDERAL AWARDS**

No Prior Year Findings

**STATE FINANCIAL ASSISTANCE PROGRAMS**

No Prior Year Findings

