

**Comprehensive Annual
Financial Report**

of the

Buena Regional Board of Education

Atlantic County, New Jersey

For the Fiscal Year Ended June 30, 2011

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Introductory Section

BUENA REGIONAL SCHOOL DISTRICT

Phone (856) 697-0800

Administrative Office: 914 Main Avenue, Richland, New Jersey 08350
Mailing Address: P.O. Box 309, Buena, New Jersey 08310
Web site: www.buena.K12.nj.us

Fax (856) 697-4963

Thomas J. Kearney
Business Administrator/
Board Secretary

Walter W. Whitaker, Jr
Superintendent of Schools

November 30, 2011

Honorable President and
Members of the Board of Education
Buena Regional School District
County of Atlantic, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Buena Regional School District for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations," and the state Treasury Circular Letter 04-04, "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:

The Buena Regional School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Buena Regional School District Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2010-2011 fiscal year with an enrollment of 2,426 students.

The following details the changes in the student enrollment of the District over the last ten years:

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-11	2,426	-5.27%
2009-10	2,561	-1.35%
2008-09	2,596	-0.27%
2007-08	2,603	-1.66%
2006-07	2,647	2.16%
2005-06	2,591	-2.19%
2004-05	2,649	5.92%
2003-04	2,501	0.12%
2002-03	2,498	-1.19%
2001-02	2,528	1.00%

2. ECONOMIC CONDITION AND OUTLOOK:

The Buena Regional School District is located in a predominantly rural, agricultural-based community. The Buena Regional School District remains one of 35 DFG (District Factor Group) "A" districts in the State of New Jersey. District factor groupings are a system of identifying school districts by the socioeconomic status of their communities. An "A" district possesses the indicators associated with low socioeconomic status and demonstrates economic need. Combined, the municipalities of Buena Borough and Buena Vista Township have one of the highest unemployment rates in Atlantic County. The majority of Buena Vista Township is under a construction moratorium because of Pinelands and EPA restrictions; however, limited construction continues.

3. MAJOR INITIATIVES:

Throughout the school year, the New Jersey Core Curriculum Content Standards (CCCS) and the state assessments continued to provide the foundation for the curricular initiatives district wide.

Yearly, curriculum committees align and/or rewrite the curriculum to correspond to the CCCS. Every effort, district wide, is made to enhance and to broaden the learning process and the level of success for all students.

Annually, federal (NCLB), state, and district funds are used to supplement the district's initiatives and programs.

Despite the limited financial resources, the district continues to provide programs and services that address the needs of all students.

4. INTERNAL ACCOUNTING CONTROLS:

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS:

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

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

6. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and are explained in "Notes to the Financial Statements," Note 1. The district includes a reporting section in compliance with GASB 34.

7. DEBT ADMINISTRATION:

At June 30, 2011, there is \$12,148,000 in bonds payable outstanding.

8. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 3. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. 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 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:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Buena Regional School District 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 financial and accounting staff.

Respectfully submitted,

Walter W. Whitaker, Jr.,
Walter W. Whitaker, Jr.
Superintendent

Thomas J. Kearney
Thomas J. Kearney
Business Administrator/
Board Secretary

**BUENA REGIONAL
BOARD OF EDUCATION**

COUNTY OF ATLANTIC , NEW JERSEY

**ROSTER OF OFFICIALS
JUNE 30, 2011**

Members of the Board of Education

David Anderson, President
Robert James Jr., Vice President
Debra Bell
Lynda Gazzara
Ritchie Dockery
Matthew Walker
Gregory McAvaddy
Louise Rainear
Terrence Perry
Teresa Mesler (Weymouth)
Robert Kellner (Estell Manor)

SUPERINTENDENT

Walter W. Whitaker, Jr.

BUSINESS ADMINISTRATOR / BOARD SECRETARY

Thomas J. Kearney

**BUENA REGIONAL
BOARD OF EDUCATION**

COUNTY OF ATLANTIC , NEW JERSEY

**CONSULTANTS AND ADVISORS
JUNE 30, 2011**

INDEPENDENT AUDITOR

Ford, Scott & Associates, LLC
Certified Public Accountants
1535 Haven Avenue
Ocean City, New Jersey 08226

ATTORNEY

Barbara R. Lapham, Esquire
100 N. Main Road
Vineland, New Jersey 08360

BOND COUNSEL

McManimon & Scotland, LLC
17 West State Street
Trenton, New Jersey 07934

OFFICIAL DEPOSITORIES

Susquehanna Patriot Bank, Minotola Division

Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538

PHONE 609.399.6333 • FAX 609.399.3710

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Buena Regional School District
County of Atlantic
New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Buena Regional School District, in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Buena Regional Board of Education'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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Buena Regional Board of Education, in the County of Atlantic, State of New Jersey, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the 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, 2011 on our consideration of the Buena Regional Board of Education's internal control over financial reporting and on 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 considered in assessing the results of our audit.

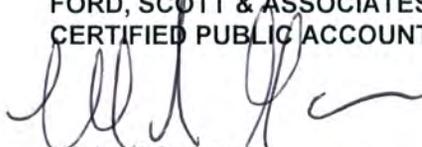
The Management Discussion and Analysis and Budgetary Comparison Information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally 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 Buena Regional Board of Education's basic financial statements. The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

Ford, Scott, & Associates, L.L.C.

**FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS**



**Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080**

November 30, 2011

Required Supplementary Information – Part I

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED**

The discussion and analysis of Buena Regional School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets increased \$1,820,610.89, which represents a 9 percent increase from 2010.
- General revenues accounted for \$38,535,262.87 in revenue or 88 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$5,357,913.83 or 12 percent of total revenues of \$43,893,176.70.
- Cash and cash equivalents increased by \$2,974,712.78, receivables decreased by \$25,711.44, inventory decreased by \$1,276.45, and capital assets increased by \$522,033.53.
- The School District had \$42,072,565.81 in expenses; only \$5,357,913.83 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$38,535,262.87 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$37,925,429.16 in revenues and \$36,362,191.07 in expenditures and \$680,089.02 in transfers to other funds. The General Fund's fund balance increased \$883,149.07 over 2010.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Buena Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District, as a whole looks at all financial transactions and ask the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- **Governmental Activities** - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activity** - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service Latchkey and Marketing Lab enterprise funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net assets for 2011 and 2010.

**Table 1
Net Assets**

	2011	2010
Assets		
Current and Other Assets	\$ 9,933,842.76	\$ 6,952,629.14
Capital Assets	29,840,030.90	29,317,997.37
Total Assets	39,773,873.66	36,270,626.51
Liabilities		
Long-Term Liabilities	13,584,450.00	9,393,533.67
Other Liabilities	3,094,729.88	5,603,009.95
Total Liabilities	16,679,179.88	14,996,543.62
Net Assets		
Invested in Capital Assets, Net of Debt	17,638,230.90	20,556,380.10
Restricted	6,068,988.58	2,231,020.28
Unrestricted (Deficit)	(612,525.70)	(1,513,317.49)
Total Net Assets	\$ 23,094,693.78	\$ 21,274,082.89

The District's combined net assets were \$23,094,693.78 on June 30, 2011.

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

The School District as a Whole (Continued)

Table 2 shows changes in net assets for fiscal years 2011 and 2010.

**Table 2
Changes in Net Assets**

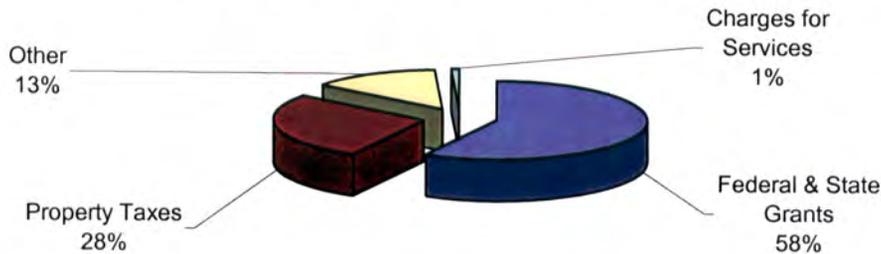
	2011	2010
Revenues		
Program Revenues:		
Charges for Services	\$ 907,284.68	\$ 964,248.10
Operating Grants and Contributions	4,079,003.59	4,244,865.20
Capital Grants	371,625.56	5,878,263.69
General Revenues:		
Property Taxes	11,758,697.04	11,321,054.00
Grants and Entitlements	20,816,108.08	21,490,614.06
Other	5,960,457.75	6,010,403.33
Total Revenues	43,893,176.70	49,909,448.38
Program Expenses		
Instruction	21,915,548.61	23,205,269.00
Support Services:		
Tuition	2,203,874.95	2,574,668.39
Related Services - Pupils and Instructional Staff	5,144,806.82	5,450,193.12
General Administration, School Administration	3,101,116.05	2,630,097.99
Central Services and Maintenance of Facilities	4,575,221.50	6,078,095.51
Pupil Transportation	3,409,825.60	3,550,975.11
Interest on Debt	511,980.00	338,342.50
Food Service	1,092,398.42	1,124,135.41
Latchkey Program	100,522.13	133,099.62
Marketing Lab	17,271.73	18,333.58
Total Expenses	42,072,565.81	45,103,210.23
Increase in Net Assets	\$ 1,820,610.89	\$ 4,806,238.15

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Governmental Activities

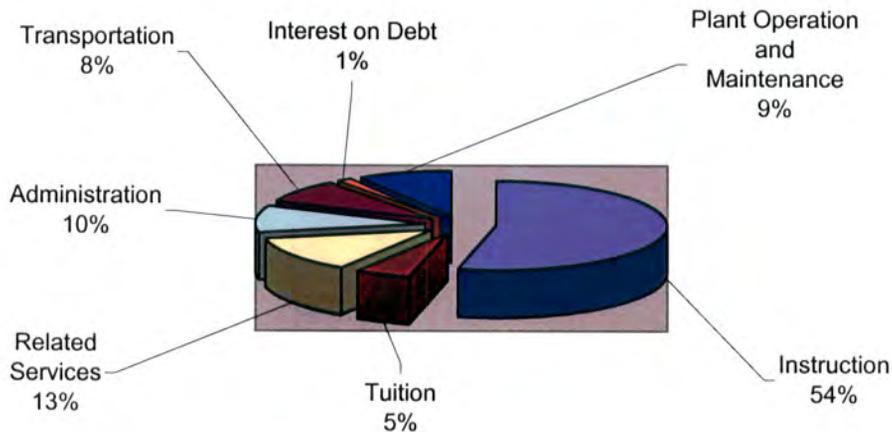
The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 28 percent of revenues for governmental activities for the School District for fiscal year 2011. The District's total revenues were \$42,728,420.00 for the year ended June 30, 2011. Federal, state, and local grants accounted for another 58 percent of revenue.

Sources of Revenue for 2011



The total cost of all program and services was \$40,862,373.53. Instruction comprises 54 percent of District expenses.

Expenses for 2011



Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements.

- Expenses exceeded revenues by \$45,435.58.
- Charges for services represent \$555,769.51 of revenue. This represents amounts paid by patrons for daily food service, day care and marketing lab purchases.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$608,735.29.

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	Table 3	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	Services 2011	Services 2011	Services 2011	Services 2010	Services 2010
Instruction	\$ 21,915,548.61	\$ 19,635,424.54	\$ 23,205,269.00	\$ 20,629,424.01	
Support Services:					
Tuition	2,203,874.95	2,203,874.95	2,574,668.39	2,574,668.39	
Pupils and Instructional Staff	5,144,806.82	3,787,474.43	5,450,193.12	4,259,660.36	
General Administration, School Administration	3,101,116.05	3,101,116.05	2,630,097.99	2,630,097.99	
Business Operation and Maintenance of Facilities	4,575,221.50	4,575,221.50	6,078,095.51	6,078,095.51	
Pupil Transportation	3,409,825.60	3,058,310.43	3,550,975.11	3,164,864.26	
Capital Expenditures		(204,437.40)		(5,751,725.54)	
Interest and Fiscal Charges	511,980.00	511,980.00	338,342.50	338,342.50	
Total Expenses	\$ 40,862,373.53	\$ 36,668,964.50	\$ 43,827,641.62	\$ 33,923,427.48	

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

Tuition is predominately made up of charges from other schools for special education students.

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

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

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

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

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

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$42,728,420.00 and expenditures were \$42,165,702.63. The net increase in fund balance for the year was \$4,745,717.37. This reflects the District's budgeted use of fund balance, the deferral of the final state aid payment, and the expenditure of Capital Project Funds for construction costs.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2010</u>	<u>Percent of Increase (Decrease)</u>
Local Sources	\$ 18,078,824.86	42.31%	\$ 887,106.50	5.16%
State Sources	21,714,271.11	50.82%	(3,335,549.64)	-13.32%
Federal Sources	2,935,324.03	6.87%	(3,016,198.75)	-50.68%
Total	<u>\$ 42,728,420.00</u>	<u>100.00%</u>	<u>\$ (5,464,641.89)</u>	<u>-11.34%</u>

Local revenues increased primarily due to a tax increase related to new debt service and increased miscellaneous revenues. State revenues decreased by \$3,335,549.64 due to less grant revenue being realized related to capital projects nearing completion and Federal revenues decreased by \$3,016,198.75 due to the expiration of ARRA funds in 2011.

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2011, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2010</u>	<u>Percent of Increase (Decrease)</u>
Current expense:				
Instruction	\$ 16,463,687.30	39.05%	\$ (1,624,928.46)	-8.98%
Undistributed expenditures	23,087,990.15	54.76%	(567,900.39)	-2.40%
Capital Outlay	1,662,570.18	3.94%	(8,713,503.82)	-83.98%
Debt Service	951,455.00	2.26%	12,477.50	1.33%
Total	<u>\$ 42,165,702.63</u>	<u>100.00%</u>	<u>\$ (10,893,855.17)</u>	<u>-20.53%</u>

Changes in expenditures were the results of varying factors, but predominately, the expenditure of Capital Project Funds.

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts.

Capital Assets

At the end of the fiscal year 2011, the School District had \$29,840,030.90 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2011 balances compared to 2010.

**Table 4
Capital Assets (Net of Depreciation) at June 30,**

	2011	2010
Land	\$ 285,376.00	\$ 285,376.00
Construction in Progress	1,214,600.10	-
Building and Building Improvements	27,668,670.38	28,346,087.69
Machinery and Equipment	671,384.42	686,533.68
Total	\$ 29,840,030.90	\$ 29,317,997.37

Overall capital assets increased \$522,033.53 from fiscal year 2010 to fiscal year 2011. The increase in capital assets is due to depreciation charges being less than new capital purchases. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2011, the School District had \$13,584,450.00 of outstanding debt. Of this amount, \$1,382,615.00 is for compensated absences; \$53,800.00 for various capital leases; and \$12,148,000.00 of serial bonds for school construction.

**Table 5
Bonded Outstanding Debt at June 30,**

	2011	2010
2005 Issue	\$ 7,965,000.00	\$ 8,585,000.00
2011 Issue	4,183,000.00	-
Total	\$ 12,148,000.00	\$ 8,585,000.00

At June 30, 2010, the School District is within its legal debt capacity. See the Notes to the Financial Statements and Schedule J-13 for additional information.

**BUENA REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

For the Future

The Buena Regional School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the lack of sufficient state aid, which increases reliance on local property taxes.

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

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Thomas J. Kearney Business Administrator/Board Secretary at Buena Regional School District, P.O. Box 309, Buena, New Jersey 08310.

Basic Financial Statements

DISTRICT – WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business – type activities of the District.

BUENA REGIONAL SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,105,769.47	\$ 67,631.99	\$ 4,173,401.46
Receivables, Net	4,700,800.33	2,737.85	4,703,538.18
Internal Balances	98,476.27	(64,987.54)	33,488.73
Inventory	-	3,723.55	3,723.55
Restricted Assets:			
Cash Held by the State of New Jersey	1,019,690.84		1,019,690.84
Capital Assets, Net (Note 7)	29,565,721.94	274,308.96	29,840,030.90
Total Assets	<u>39,490,458.85</u>	<u>283,414.81</u>	<u>39,773,873.66</u>
LIABILITIES			
Accounts Payable	1,606,273.43	6,240.20	1,612,513.63
Payable to State & Federal Government	37,515.89		37,515.89
Deferred Revenue	1,267,850.36		1,267,850.36
Accrued Interest	176,850.00		176,850.00
Noncurrent Liabilities (Note 8)			
Due Within One Year	786,900.00		786,900.00
Due Beyond One Year	12,778,350.00	19,200.00	12,797,550.00
Total Liabilities	<u>16,653,739.68</u>	<u>25,440.20</u>	<u>16,679,179.88</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	17,363,921.94	274,308.96	17,638,230.90
Restricted for:			
Debt Service - (Deficit)	(176,600.00)		(176,600.00)
Capital Projects	6,245,588.58		6,245,588.58
Unrestricted - (Deficit)	(596,191.35)	(16,334.35)	(612,525.70)
Total Net Assets	<u>\$ 22,836,719.17</u>	<u>\$ 257,974.61</u>	<u>\$ 23,094,693.78</u>

BUENA REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2011

Function/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 13,969,702.26	\$ -	\$ -	\$ -	\$ (13,969,702.26)	\$ -	\$ (13,969,702.26)
Special Education	7,080,013.59	-	2,280,124.07	-	(4,799,889.52)	-	(4,799,889.52)
Other Special Instruction	865,832.76	-	-	-	(865,832.76)	-	(865,832.76)
Support Services:							
Tuition	2,203,874.95	-	-	-	(2,203,874.95)	-	(2,203,874.95)
Student & Instruction Related Services	5,144,806.82	-	1,190,144.23	167,188.16	(3,787,474.43)	-	(3,787,474.43)
General Administrative Services	723,981.06	-	-	-	(723,981.06)	-	(723,981.06)
School Administrative Services	2,377,134.99	-	-	-	(2,377,134.99)	-	(2,377,134.99)
Plant Operation and Maintenance	3,654,165.38	-	-	-	(3,654,165.38)	-	(3,654,165.38)
Pupil Transportation	3,409,825.60	351,515.17	-	-	(3,058,310.43)	-	(3,058,310.43)
Central and Info. Tech. Services	921,056.12	-	-	204,437.40	(921,056.12)	204,437.40	(921,056.12)
Capital Expenditures	511,980.00	-	-	-	(511,980.00)	-	(511,980.00)
Interest on Long-Term Debt							
Total Governmental Activities	40,862,373.53	351,515.17	3,470,268.30	371,625.56	(36,668,964.50)	-	(36,668,964.50)
Business-Type Activities:							
Food Service	1,092,398.42	433,241.95	608,735.29	-	(50,421.18)	(50,421.18)	(50,421.18)
Latchkey	100,522.13	102,902.59	-	-	2,380.46	2,380.46	2,380.46
Marketing Lab	17,271.73	19,624.97	-	-	2,353.24	2,353.24	2,353.24
Total Business-Type Activities	1,210,192.28	555,769.51	608,735.29	-	(45,687.48)	(45,687.48)	(45,687.48)
Total Primary Government	\$ 42,072,565.81	\$ 907,284.68	\$ 4,079,003.59	\$ 371,625.56	\$ (36,668,964.50)	\$ (45,687.48)	\$ (36,714,651.98)

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes, Net	\$ 10,807,242.06	\$ -	\$ 10,807,242.06
Taxes Levied for Debt Service	951,454.98	-	951,454.98
Federal and State Aid not Restricted	20,816,108.08	-	20,816,108.08
Tuition Received	5,306,690.04	-	5,306,690.04
Miscellaneous Income	653,515.81	251.90	653,767.71
Transfers	-	-	-
Total General Revenues	38,535,010.97	251.90	38,535,262.87
Total General Revenues, Special Items, Extraordinary Items and Transfers	38,535,010.97	251.90	38,535,262.87
Change in Net Assets	1,866,046.47	(45,435.58)	1,820,610.89
Net Assets - Beginning	20,970,672.70	303,410.19	21,274,082.89
Net Assets - Ending	\$ 22,836,719.17	\$ 257,974.61	\$ 23,094,693.78

FUND FINANCIAL STATEMENTS

The individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

BUENA REGIONAL SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 4,105,769.47	\$ -	\$ 4,105,769.47
Cash Held by the State of New Jersey			1,019,690.84		1,019,690.84
Receivables from Other Governments	2,745,097.94	1,722,544.23		158,575.84	4,626,218.01
Interfund Receivable			1,219,457.15		1,219,457.15
Other Receivables	69,725.39	4,816.93	40.00		74,582.32
Total Assets	\$ 2,814,823.33	\$ 1,727,361.16	\$ 6,344,957.46	\$ 158,575.84	\$ 11,045,717.79
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,234,409.33	\$ 272,495.22	\$ 99,368.88	\$ -	\$ 1,606,273.43
Interfund Payable	812,905.35	149,499.69		158,575.84	1,120,980.88
Payable to State Government		12,486.91			12,486.91
Payable to Federal Government		25,028.98			25,028.98
Deferred Revenue		1,267,850.36			1,267,850.36
Total Liabilities	2,047,314.68	1,727,361.16	99,368.88	158,575.84	4,032,620.56
Fund Balances:					
Restricted Fund Balance:					
Reserve for Excess Surplus	979,010.64				979,010.64
Capital Projects			4,565,263.61		4,565,263.61
Committed Fund Balance:					
Other Purposes	194,636.42		1,680,324.97		1,874,961.39
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures	500,000.00				500,000.00
Unassigned Fund Balance	(906,138.41)				(906,138.41)
Total Fund Balances (Deficits)	767,508.65	-	6,245,588.58	-	7,013,097.23
Total Liabilities and Fund Balances	\$ 2,814,823.33	\$ 1,727,361.16	\$ 6,344,957.46	\$ 158,575.84	

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 \$38,588,727.12 and the accumulated depreciation is \$9,023,005.18.

29,565,721.94

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

(176,850.00)

Long - term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(13,565,250.00)

Net assets of governmental activities

\$ 22,836,719.17

BUENA REGIONAL SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 10,807,242.06	\$ -	\$ -	\$ 951,454.98	\$ 11,758,697.04
Tuition Charges	5,306,690.04				5,306,690.04
Transportation Fees	351,515.17				351,515.17
Miscellaneous	643,873.81	8,406.80	9,642.00		661,922.61
Total Local Sources	17,109,321.08	8,406.80	9,642.00	951,454.98	18,078,824.86
State Sources	20,743,864.10	765,969.61	204,437.40	-	21,714,271.11
Federal Sources	72,243.98	2,863,080.05			2,935,324.03
Total Revenues	<u>37,925,429.16</u>	<u>3,637,456.46</u>	<u>214,079.40</u>	<u>951,454.98</u>	<u>42,728,420.00</u>
EXPENDITURES					
Current:					
Regular Instruction	10,494,504.34				10,494,504.34
Special Education Instruction	3,038,616.89	2,280,124.07			5,318,740.96
Other Special Instruction	650,442.00				650,442.00
Support Services and Undistributed Costs:					
Tuition	2,203,874.95				2,203,874.95
Student & Instruction Related Serv.	2,674,805.25	1,190,144.23			3,864,949.48
General Administrative Services	543,878.87				543,878.87
School Administrative Services	1,785,783.07				1,785,783.07
Plant Operation and Maintenance	2,837,394.83				2,837,394.83
Pupil Transportation	2,561,574.34				2,561,574.34
Central and Info. Tech. Services	691,928.32				691,928.32
Unallocated Employee Benefits	8,598,606.29				8,598,606.29
Debt Service:					
Principal				620,000.00	620,000.00
Interest and Other Charges				331,455.00	331,455.00
Capital Outlay	280,781.92	167,188.16	1,214,600.10		1,662,570.18
Total Expenditures	<u>36,362,191.07</u>	<u>3,637,456.46</u>	<u>1,214,600.10</u>	<u>951,455.00</u>	<u>42,165,702.63</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,563,238.09</u>	<u>-</u>	<u>(1,000,520.70)</u>	<u>(0.02)</u>	<u>562,717.37</u>
OTHER FINANCING SOURCES (USES)					
Serial Bonds Issued			4,183,000.00	-	4,183,000.00
Transfer in	9,641.98		689,731.00	0.02	699,373.00
Transfer out	(689,731.00)		(9,642.00)		(699,373.00)
Total Other Financing Sources and Uses	<u>(680,089.02)</u>	<u>-</u>	<u>4,863,089.00</u>	<u>0.02</u>	<u>4,183,000.00</u>
Net Changes in Fund Balance	883,149.07	-	3,862,568.30	(0.00)	4,745,717.37
Fund Balance - July 1	(115,640.42)	-	2,383,020.28	-	2,267,379.86
Fund Balance (Deficit) - June 30	<u>\$ 767,508.65</u>	<u>\$ -</u>	<u>\$ 6,245,588.58</u>	<u>\$ (0.00)</u>	<u>\$ 7,013,097.23</u>

BUENA REGIONAL SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2011

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 4,745,717.37

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures.

However, on 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 current fiscal year.

Depreciation expense	\$ (918,233.35)	
Capital Outlay	<u>1,506,450.18</u>	588,216.83

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.

Bonds	620,000.00
Capital Leases	122,817.27

Proceeds from debt issues are a financing source in the governmental funds.

They are not a revenue in the statement of activities; issuing debt increases long - term liabilities in the statement of net assets.

Capital lease proceeds	(4,183,000.00)
------------------------	----------------

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) 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 a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

(3,300.00)

In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.

(24,405.00)

Change in Net Assets of Governmental Activities	<u>\$ 1,866,046.47</u>
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BUENA REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Net Assets
June 30, 2011

	Business-type Activities - Enterprise Fund			Totals
	Food Service	Latchkey Program	Marketing Lab	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 9,993.31	\$ 47,779.29	\$ 9,859.39	\$ 67,631.99
Accounts Receivable	2,264.45	473.40		2,737.85
Inventories	3,723.55			3,723.55
Total Current Assets	<u>15,981.31</u>	<u>48,252.69</u>	<u>9,859.39</u>	<u>74,093.39</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	920,306.80			920,306.80
Less: Accumulated Depreciation	<u>(645,997.84)</u>			<u>(645,997.84)</u>
Total Noncurrent Assets	<u>274,308.96</u>	<u>-</u>	<u>-</u>	<u>274,308.96</u>
Total Assets	<u>\$ 290,290.27</u>	<u>\$ 48,252.69</u>	<u>\$ 9,859.39</u>	<u>\$ 348,402.35</u>
LIABILITIES				
Current Liabilities:				
Interfunds Payable	\$ 64,827.59	\$ 159.95	\$ -	\$ 64,987.54
Accounts Payable		6,240.20		6,240.20
Total Current Liabilities	<u>64,827.59</u>	<u>6,400.15</u>	<u>-</u>	<u>71,227.74</u>
Noncurrent Liabilities:				
Compensated Absences	19,200.00			19,200.00
Total Noncurrent Liabilities	<u>19,200.00</u>	<u>-</u>	<u>-</u>	<u>19,200.00</u>
NET ASSETS				
Invested in Capital Assets Net of Related Debt	274,308.96	-	-	274,308.96
Unrestricted (Deficit)	(68,046.28)	41,852.54	9,859.39	(16,334.35)
Total Net Assets	<u>\$ 206,262.68</u>	<u>\$ 41,852.54</u>	<u>\$ 9,859.39</u>	<u>\$ 257,974.61</u>

BUENA REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2011

	Business-type Activities - Enterprise Fund			Totals Enterprise
	Food Service	Latchkey Program	Marketing Lab	
Operating Revenues:				
Charges for Services:				
Daily Sales	\$ 433,241.95	\$ -	\$ 19,624.97	\$ 452,866.92
Program Fees		102,902.59		102,902.59
Total Operating Revenue	<u>433,241.95</u>	<u>102,902.59</u>	<u>19,624.97</u>	<u>555,769.51</u>
Operating Expenses:				
Cost of Sales	438,910.45		17,271.73	456,182.18
Salaries	445,509.55	85,097.39		530,606.94
Employee Benefits	126,272.54	6,233.08		132,505.62
Supplies	2,359.00	8,323.98		10,682.98
Miscellaneous	13,163.58	867.68		14,031.26
Depreciation	66,183.30			66,183.30
Total Operating Expenses	<u>1,092,398.42</u>	<u>100,522.13</u>	<u>17,271.73</u>	<u>1,210,192.28</u>
Operating Income (Loss)	<u>(659,156.47)</u>	<u>2,380.46</u>	<u>2,353.24</u>	<u>(654,422.77)</u>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	11,463.09			11,463.09
Federal Sources:				
National School Lunch Program	446,648.84			446,648.84
School Breakfast Program	84,097.54			84,097.54
Special Milk Program	1,854.26			1,854.26
School Snack Program	6,248.56			6,248.56
Food Distribution Program	58,423.00			58,423.00
Fixed Asset Contributions				
Interest and Investment Income	142.80	100.79	8.31	251.90
Total Nonoperating Revenues (Expenses)	<u>608,878.09</u>	<u>100.79</u>	<u>8.31</u>	<u>608,987.19</u>
Income (Loss) before Contributions & Transfers	<u>(50,278.38)</u>	<u>2,481.25</u>	<u>2,361.55</u>	<u>(45,435.58)</u>
Transfers In (Out)	<u>-</u>			<u>-</u>
Changes in Net Assets	<u>(50,278.38)</u>	<u>2,481.25</u>	<u>2,361.55</u>	<u>(45,435.58)</u>
Total Net Assets - Beginning (Deficit)	<u>256,541.06</u>	<u>39,371.29</u>	<u>7,497.84</u>	<u>303,410.19</u>
Total Net Assets - Ending (Deficit)	<u>\$ 206,262.68</u>	<u>\$ 41,852.54</u>	<u>\$ 9,859.39</u>	<u>\$ 257,974.61</u>

BUENA REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2011

	Business-type Activities - Enterprise Fund			Totals Enterprise
	Food Service	Latchkey Program	Marketing Lab	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 432,074.65	\$ 106,430.32	\$ 19,624.97	\$ 558,129.94
Payments to Employees	(611,706.73)	(86,355.01)		(698,061.74)
Payments for Employee Benefits	(124,022.54)	(6,233.08)		(130,255.62)
Payments for Suppliers	(457,524.84)	(9,191.66)	(17,271.73)	(483,988.23)
Net Cash Provided by (Used for) Operating Activities	<u>(761,179.46)</u>	<u>4,650.57</u>	<u>2,353.24</u>	<u>(754,175.65)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Federal and State Sources	662,354.60			662,354.60
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>662,354.60</u>	<u>-</u>	<u>-</u>	<u>662,354.60</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets - None				-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Interest and Dividends	142.80	100.79	8.31	251.90
Net Cash Provided by (Used for) Investing Activities	<u>142.80</u>	<u>100.79</u>	<u>8.31</u>	<u>251.90</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(98,682.06)	4,751.36	2,361.55	(91,569.15)
Balance - Beginning of Year	108,675.37	43,027.93	7,497.84	159,201.14
Balance - End of Year	<u>\$ 9,993.31</u>	<u>\$ 47,779.29</u>	<u>\$ 9,859.39</u>	<u>\$ 67,631.99</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (659,156.47)	\$ 2,380.46	\$ 2,353.24	\$ (654,422.77)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Net Amortization	66,183.30			66,183.30
(Increase) Decrease in Inventories	1,276.45			1,276.45
Increase (Decrease) in Accounts Payable	(4,368.26)	2,816.26		(1,552.00)
Increase (Decrease) in Interfunds Payable	(166,197.18)	(4,073.88)		(170,271.06)
(Increase) Decrease in Accounts Receivable	(1,167.30)	3,527.73		2,360.43
Increase (Decrease) in Compensated Absences Payable	2,250.00			2,250.00
Total Adjustments	<u>(102,022.99)</u>	<u>2,270.11</u>	<u>-</u>	<u>(99,752.88)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (761,179.46)</u>	<u>\$ 4,650.57</u>	<u>\$ 2,353.24</u>	<u>\$ (754,175.65)</u>

BUENA REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Assets
June 30, 2011

	Private Purpose Scholarship Fund	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 256,488.36	\$ 186,640.61
Investments, at Fair Value	49,012.00	
Interfunds		-
	<u>305,500.36</u>	<u>186,640.61</u>
Total Assets	<u>\$ 305,500.36</u>	<u>\$ 186,640.61</u>
LIABILITIES		
Payable to Student Groups		\$ 153,151.88
Interfunds		\$ 33,488.73
Payroll Deductions and Withholdings		-
Total Liabilities	<u>-</u>	<u>\$ 186,640.61</u>
NET ASSETS		
Reserved for Scholarships	<u>\$ 305,500.36</u>	

BUENA REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Private Purpose Scholarship Fund
ADDITIONS	
Contributions:	
Other	\$ 83,500.00
Total Contributions	83,500.00
Investment Earnings:	
Interest	163.13
Net Increase (Decrease) in the Fair Market Value of Investments	7,793.56
Net Investment Earnings	7,956.69
Total Additions	91,456.69
DEDUCTIONS	
Scholarships Awarded	86,205.00
Total Deductions	86,205.00
Changes in Net Assets	5,251.69
Net Assets - Beginning of the Year	300,248.67
Net Assets - End of the Year	\$ 305,500.36

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of Buena Regional School District (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 more significant of the Board's accounting policies are described below.

A. Reporting Entity

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is a Type II district located in Atlantic County. The Board consists of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The District operates four elementary schools, one Middle School and one High School. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name);
- the District holds the corporate powers of the organization;
- the District appoints a voting majority of the organization's board;
- the District is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the District;
- there is a fiscal dependency by the organization on the District;

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

B. Basis of Presentation, Measurement Focus and Basis of Accounting

Basis of Presentation

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

District-Wide Financial Statements: The statement of net assets and the statement of activities display information about the district as a whole. These statements report the financial activities of the overall District, except for fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by property taxes, intergovernmental revenues, and other non-exchange transactions from business-type activities, generally financed in whole or in part with fees charged to external parties.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

Basis of Presentation - Continued

The statement of net assets presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges and fees paid by the recipients of goods or services offered by the programs; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment 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. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education ("Department") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The Department believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

Governmental Funds

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all expendable 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, which are classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

Basis of Presentation - Continued

Capital Projects Fund - The Capital Projects Fund is used to account for all 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 temporary notes or serial bonds that 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, principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Funds

The District reports the following proprietary fund:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business operations – where the intent of the District is that the costs of providing goods or services be financed or recovered primarily through user charges.

The District's Enterprise Funds are comprised of the Food Service Fund, the Latchkey Fund and the Marketing Lab, which account for all revenues and expenses pertaining to the District's cafeteria operations, daycare program and school store.

Fiduciary Funds

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

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include the Unemployment Compensation Insurance Trust.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. Currently, the District does not maintain this type of fund.

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

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

Measurement Focus and Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net assets (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net assets.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Revenue from federal, state and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The District applies only those applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 in accounting and reporting for its proprietary operations.

C. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g). All budget amendments/transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgets/Budgetary Control - Continued

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

D. Encumbrance Accounting

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

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

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

E. Assets, Liabilities and Equity

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, bank deposits 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. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Cash, Cash Equivalents and Investments - Continued

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

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

Interfund Transactions

Transfers between governmental and business-type activities on the District-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 the Enterprise Fund. Repayments from funds responsible for particular expenditure/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories

Inventories, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first out method. In the fund based financial statements, commodities received from the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over their estimated useful lives. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 20 years for equipment.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Capital Assets - Continued

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

Compensated Absences

The District accounts for compensated absences (e.g., unused sick, vacation leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received in the Special Revenue Fund before they have been earned are recorded as deferred revenue.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide 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, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. 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 balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the School District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classified governmental fund balances as follows;

- Non-spendable – Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.
- Restricted - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end.
- Assigned – Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Education, Superintendent or Business Administrator.
- Unassigned – Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Revenues – Exchange and Nonexchange Transactions

Revenues 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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 District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlement, and donations is recognized in the period in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the 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 specific purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes as an advance, interest and tuition.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

GASB Statement No. 3 amended by Statement No. 40 requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments.

The cash deposits not covered by depository insurance held at financial institutions are categorized as follows:

- a. Deposits are uncollateralized.
- b. Deposits are collateralized with securities held by the pledging financial institution.
- c. Deposits collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

At June 30, 2011, the carrying amount of the District's deposits (cash and cash equivalents) was \$5,636,221.27 and the bank balance was \$6,485,817.82.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The State of New Jersey has certain collateral requirements for governmental units. These requirements are disclosed in detail as part of Note 1E.

As of June 30, 2011, the District's bank balance was exposed to custodial credit risk as follows:

		<u>Cash and Cash Equivalents</u>
Insured	\$	253,019.43
Cash Held by the State of NJ		1,019,690.84
Uninsured and collateral held by pledging bank's trust department not in the District's name		<u>5,213,107.55</u>
	\$	<u><u>6,485,817.82</u></u>

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS - Continued

Investments

As of June 30, 2011, the District maintained investment holdings for its Scholarship Fund as listed below:

<u>Investment Type</u>	<u>Market Value</u>
Various Common Stock	\$ 49,012.00

NOTE 3 – RECEIVABLES

Receivables at June 30, 2011, consisted of accounts (tuition, taxes and other), interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Government Wide Financial Statements</u>
State and Federal Aid	\$ 2,003,450.92	\$ 2,003,450.92
Tax Levy	1,959,782.86	1,959,782.86
Interfund	1,219,457.15	33,488.73
Other	737,566.55	740,304.40
Gross Receivables	5,920,257.48	4,737,026.91
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 5,920,257.48</u>	<u>\$ 4,737,026.91</u>

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund or General Fund; (2) repay expenses paid by another fund; (3) make a Board contribution to the Unemployment Compensation Trust Fund; and (4) transfer federal and state food subsidies received in the General Fund to the Food Service Fund.

The following interfund balances remained on the fund financial statements at June 30, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$	\$ 812,905.35
Special Revenue Fund		149,499.69
Capital Projects Fund	1,219,457.15	
Debt Service Fund		158,575.84
Food Service Fund		64,827.59
Latchkey Fund		159.95
Payroll Agency Fund		33,488.73
Total	<u>\$ 1,219,457.15</u>	<u>\$ 1,219,457.15</u>

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 5 – INVENTORY

Inventory in the Food Service Enterprise Fund at June 30, 2011, consisted of the following:

Food	\$	<u>2,723.55</u>
	\$	<u><u>2,723.55</u></u>

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 285,376.00	\$ -	\$ -	\$ 285,376.00
Construction in Progress	-	1,214,600.10	-	1,214,600.10
Total capital assets not being depreciated	<u>285,376.00</u>	<u>1,214,600.10</u>	<u>-</u>	<u>1,499,976.10</u>
Capital assets being depreciated:				
Land Improvements	435,157.10	-	-	435,157.10
Buildings and building improvements	34,806,402.00	-	-	34,806,402.00
Equipment	1,555,341.84	291,850.08	-	1,847,191.92
Total capital assets being depreciated at historical cost	<u>36,796,900.94</u>	<u>291,850.08</u>	<u>-</u>	<u>37,088,751.02</u>
Less accumulated depreciation for:				
Land Improvements	(416,423.06)	(2,568.73)	-	(418,991.79)
Buildings and improvements	(6,479,048.35)	(674,848.58)	-	(7,153,896.93)
Equipment	(1,209,300.42)	(240,816.04)	-	(1,450,116.46)
Total capital assets being depreciated, net of accumulated depreciation	<u>28,692,129.11</u>	<u>(626,383.27)</u>	<u>-</u>	<u>28,065,745.84</u>
Governmental activity capital assets, net	<u>\$ 28,977,505.11</u>	<u>\$ 588,216.83</u>	<u>\$ -</u>	<u>\$ 29,565,721.94</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 920,306.80	\$ -	\$ -	\$ 920,306.80
Less accumulated depreciation	(579,814.54)	(66,183.30)	-	(645,997.84)
Enterprise Fund capital assets, net	<u>\$ 340,492.26</u>	<u>\$ (66,183.30)</u>	<u>\$ -</u>	<u>\$ 274,308.96</u>

Depreciation is charged to governmental functions as follows:

Instruction	\$	525,841.02
Student & Instructional Related Services		123,444.34
General Administrative Services		17,371.19
School Administrative Services		57,036.92
Plant Operation & Maintenance		90,624.82
Transportation		81,815.26
Central and Info. Tech. Services		22,099.80
	\$	<u><u>918,233.35</u></u>

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2011 are as follows:

	Balance July 1, 2010	Issues or Additions	Payments or Expenditures	Balance June 30, 2011	Amounts Due Within One Year
Compensated Absences	\$ 1,377,100.00	\$ 5,550.00	\$	\$ 1,382,650.00	\$
Capital Leases	176,617.27		122,817.27	53,800.00	26,900.00
Bonds Payable	<u>8,585,000.00</u>	<u>4,183,000.00</u>	<u>620,000.00</u>	<u>12,148,000.00</u>	<u>760,000.00</u>
	<u>\$ 10,138,717.27</u>	<u>\$ 4,188,550.00</u>	<u>\$ 742,817.27</u>	<u>\$ 13,584,450.00</u>	<u>\$ 786,900.00</u>

Compensated absences and capital leases will be liquidated in the General Fund.

Bonds Payable

Bonds 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 District are general obligation bonds.

Description of Bonds Payable

At June 30, 2011, bonds payable consisted of the following issues:

\$9,765,000.00 School Bonds dated December 15, 2005, due in annual installments through July 15, 2021, bearing interest at varying rates. The balance remaining as of June 30, 2011 is \$7,965,000.00.

\$4,183,000.00 School Bonds dated May 1, 2011, 2011, due in annual installments through May 1, 2036, bearing interest at varying rates. The balance remaining as of June 30, 2011 is \$4,183,000.00.

Debt service requirements on serial bonds payable at June 30, 2011 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ 760,000.00	\$ 520,290.46	\$ 1,280,290.46
2013	795,000.00	491,228.76	1,286,228.76
2014	835,000.00	459,586.26	1,294,586.26
2015	870,000.00	426,358.26	1,296,358.26
2016	905,000.00	391,738.76	1,296,738.76
2017-2021	5,125,000.00	1,384,198.55	6,509,198.55
2022-2026	860,000.00	664,656.30	1,524,656.30
2027-2031	985,000.00	434,156.30	1,419,156.30
2032-2036	<u>1,013,000.00</u>	<u>170,093.80</u>	<u>1,183,093.80</u>
	<u>\$ 12,148,000.00</u>	<u>\$ 4,942,307.45</u>	<u>\$ 17,090,307.45</u>

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 7 – LONG-TERM OBLIGATIONS - Continued

Capital Leases

The District is leasing equipment and vehicles totaling \$559,532.00 under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the net minimum lease payments at June 30, 2011:

Fiscal Year Ending June 30,	Payments
2012	\$ 26,900.00
2013	26,900.00
Total minimum lease payments	<u>53,800.00</u>
Less amount representing interest	-
Present value of lease payments	<u>\$ 53,800.00</u>

NOTE 8 – PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 8 – PENSION PLANS - Continued

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. 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. 2008 and Chapter 103, P.L. 2008, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan 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 required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) that changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 8 – PENSION PLANS - Continued

Three Year Trend Information for PERS			
Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/11	\$ 565,292.00	100%	\$ -
06/30/10	300,686.00	100%	-
06/30/09	259,590.00	100%	-

Three Year Trend Information for TPAF (Paid on behalf of the District)			
Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/11	\$ 1,084,827.00	100%	\$ -
06/30/10	1,083,159.00	100%	-
06/30/09	1,022,646.00	100%	-

During the fiscal year ended June 30, 2011, the State of New Jersey contributed \$1,084,827.00 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the District \$1,266,532.76 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB Statement No. 24.

NOTE 9 – POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program ("the SHBP"), a cost sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The Division of Pension and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2019, C. 103 amended the law to eliminate the funding and payment of post-retirement medical benefits for retired state employees through TPAF and PERS.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 9 – POST-RETIREMENT BENEFITS - Continued

It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126 which provides free health benefits for members PERS and the Alternative Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in Fiscal Year 2010.

NOTE 10 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences in the Food Service Enterprise Fund was \$19,200.00.

NOTE 11 – DEFERRED COMPENSATION

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by outside entities 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.

NOTE 12 – CAPITAL RESERVE ACCOUNT

Buena Regional Board of Education established a capital reserve account during the 2000 / 2001 year 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. There is a total balance of \$0.00 at June 30, 2011.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve account at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 13 – RISK MANAGEMENT

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

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

NOTE 14 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

NOTE 15 – FUND BALANCE

Restrictions of funds balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District does not have a formal fund balance spending policy therefore the default spending order requires committed, assigned and then unassigned to be used first when expenditures are made.

Specific classifications of fund balance are summarized below;

Non-Spendable Fund Balance – The District does not maintain this type of fund.

Restricted Fund Balance

Reserve for Excess Surplus – There was excess fund balance in the amount of \$979,010.64 at June 30, 2011. This amount will be appropriated as revenue in support of the 2012-13 School Budget.

Capital Projects - \$4,565,263.61 is restricted for expenditures related to the various projects authorized.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 15 – FUND BALANCE - Continued

Committed Fund Balance - The District's Committed Fund balance for other purposes of \$1,874,961.39 consists of encumbrances in the general and capital projects funds.

Assigned Fund Balance – At June 30, 2011, the Board of Education has assigned \$500,000.00 of general fund balances to expenditures in the 2011-12 budget.

Unassigned Fund Balance – At June 30, 2011, the District has a deficit in unassigned fund balance in the general fund in the amount of \$906,138.41. This deficit is directly attributable to the deferral of the final two state aid payments in the amount of \$1,643,843.00

NOTE 16 – DEFICIT FUND BALANCES

The district has a deficit fund balance of \$906,138.41 in the General Fund as of June 30, 2011 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, 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 bill 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 payments (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 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 of 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 District deficit in the GAAP funds statements of \$906,138.41 is less than the last state aid payment.

NOTE 17 – CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance - Excess Surplus is 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 balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount of budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 is \$979,010.64. The excess fund balance at June 30, 2010 was \$0.00.

NOTE 18 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2011 through November 30, 2011, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to attention of the District that would require disclosure.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)**

NOTE 19 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

Required Supplementary Information – Part II

Budgetary Comparison Schedules

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,807,242.00		\$ 10,807,242.00	\$ 10,807,242.06	\$ 0.06
Tuition	5,285,111.00		5,285,111.00	5,306,690.04	21,579.04
Transportation Fees from Other LEA's	350,000.00		350,000.00	351,515.17	1,515.17
Unrestricted Miscellaneous Revenues	198,868.00		198,868.00	643,873.81	445,005.81
Total Local Sources	16,641,221.00	-	16,641,221.00	17,109,321.08	468,100.08
State Sources:					
Categorical Special Education Aid	873,548.00	194,485.00	1,068,033.00	1,068,033.00	-
Equalization Aid	17,097,861.00	(194,485.00)	16,903,376.00	16,903,376.00	-
Extraordinary Aid	175,000.00		175,000.00	198,168.00	23,168.00
Additional Non Public Transportation Aid			-	20,525.34	20,525.34
TPAF Pension (On-Behalf - Non-Budgeted)					
Contributory Group Insurance			-	48,778.00	48,778.00
Post Retirement Medical			-	1,036,049.00	1,036,049.00
TPAF Social Security (Reimbursed- Non-Budgeted)			-	1,266,532.76	1,266,532.76
Total State Sources	18,146,409.00	-	18,146,409.00	20,541,462.10	2,395,053.10
Federal Sources:					
SEMI	67,041.00		67,041.00	72,243.98	5,202.98
Total Federal Sources	67,041.00	-	67,041.00	72,243.98	5,202.98
Total Revenues	34,854,671.00	-	34,854,671.00	37,723,027.16	2,868,356.16
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Kindergarten - Salaries of					
Teachers	535,403.00	(76,034.72)	459,368.28	458,892.12	476.16
Grades 1 - 5 Salaries of Teachers	3,261,656.00	(107,295.09)	3,154,360.91	3,116,140.47	38,220.44
Grades 6 - 8 Salaries of Teachers	2,027,153.00	161,878.33	2,189,031.33	2,188,809.88	221.45
Grades 9 - 12 Salaries of Teachers	3,841,123.00	67,994.86	3,909,117.86	3,884,166.71	24,951.15
Regular Programs - Home Instruction					
Salaries of Teachers	80,000.00	11,887.25	91,887.25	91,887.25	-
Purchased Professional - Education Services	15,000.00	285.53	15,285.53	6,748.66	8,536.87
Other Purchased Services (400-500 series)	10,000.00		10,000.00	5,485.69	4,514.31
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	237,178.00	20,157.56	257,335.56	248,369.67	8,965.89
Purchased Professional - Education Services	700.00	500.00	1,200.00	950.00	250.00
Other Purchased Services (400-500 series)	14,850.00	1,363.70	16,213.70	6,838.79	9,374.91
General Supplies	378,000.00	(21,955.45)	356,044.55	329,813.96	26,230.59
Textbooks	164,000.00	(32,786.62)	131,213.38	118,657.62	12,555.76
Other Objects	56,900.00	1,766.14	58,666.14	37,743.52	20,922.62
TOTAL REGULAR PROGRAMS - INSTRUCTION	10,621,963.00	27,761.49	10,649,724.49	10,494,504.34	155,220.15
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	76,776.00		76,776.00	76,735.82	40.18
Other Purchased Services (400-500 series)	25.00		25.00	25.00	-
General Supplies	1,775.00		1,775.00	1,202.24	572.76
Textbooks	1,800.00		1,800.00	1,800.00	-
Other Objects	130.00		130.00	130.00	-
Total Learning and/or Language Disabilities	80,506.00	-	80,506.00	77,938.06	2,567.94
Multiple Disabilities					
Salaries of Teachers	511,929.00	6,568.29	518,497.29	518,497.29	-
Other Salaries for Instruction	270,516.00	26,237.91	296,753.91	296,753.91	-
Other Purchased Services (400-500 series)	80.00		80.00	80.00	-
General Supplies	10,650.00	(975.76)	9,674.24	7,922.46	1,751.78
Textbooks	7,800.00	(5,592.53)	2,207.47	2,207.47	-
Other Objects	900.00		900.00	900.00	-
Total Multiple Disabilities	801,875.00	26,237.91	828,112.91	825,381.13	2,731.78

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,860,164.00	\$ 39,091.80	\$ 1,899,255.80	\$ 1,895,867.00	\$ 3,388.80
Other Salaries for Instruction	119,524.00	(40,000.00)	79,524.00	57,907.12	21,816.88
Other Purchased Services (400-500 series)	225.00		225.00		225.00
General Supplies	16,500.00		16,500.00	11,196.05	5,303.95
Textbooks	9,000.00	(993.72)	8,006.28	5,430.44	2,575.84
Other Objects	1,000.00		1,000.00		1,000.00
Total Resource Room/Resource Center	2,008,413.00	(1,901.92)	2,004,511.08	1,970,400.61	34,110.47
Preschool Disabilities - Part-Time					
Salaries of Teachers	76,776.00		76,776.00	76,575.82	200.18
Other Salaries for Instruction	22,289.00		22,289.00	21,443.50	845.50
Purchased Technical Services	85,000.00	138.00	85,138.00	85,138.00	-
Other Purchased Services (400-500 series)	30.00		30.00		30.00
General Supplies	2,000.00	(138.00)	1,862.00	1,739.77	122.23
Other Objects	140.00		140.00		140.00
Total Preschool Disabilities - Part-Time	166,235.00	-	166,235.00	164,897.09	1,337.91
TOTAL SPECIAL EDUCATION - INSTRUCTION	3,055,029.00	24,335.99	3,079,364.99	3,038,616.89	40,748.10
Bilingual Education - Instruction					
Salaries of Teachers	69,551.00	141.76	69,692.76	69,692.76	-
Total Bilingual Education - Instruction	69,551.00	141.76	69,692.76	69,692.76	-
School-Sponsored Co/Extra-Curr. Activities - Instruction					
Salaries	70,620.00	4,958.39	75,578.39	74,219.38	1,359.01
Purchased Services (300-500 series)	4,000.00	(1,267.16)	2,712.84	2,370.00	342.84
Total School-Spon. Cocurricular Activities - Inst.	74,620.00	3,671.23	78,291.23	76,589.38	1,701.85
School-Spon. Cocurricular Athletics - Instruction					
Salaries	282,003.00	30,341.94	312,344.94	291,896.81	20,448.13
Purchased Services (300-500 series)	164,418.00	(378.75)	164,039.25	152,757.52	11,281.73
Supplies and Materials	54,494.00	6,971.28	61,465.28	50,540.50	10,924.78
Other Objects	12,000.00	(3,831.60)	8,168.40	6,828.09	1,340.31
Total School-Spon. Cocurricular Athletics - Inst.	512,915.00	33,102.87	546,017.87	502,022.92	43,994.95
Community Service Programs/Operations					
Salaries		4,828.64	4,828.64	851.76	3,974.88
Total Community Service Programs/Operations	-	4,828.64	4,828.64	851.76	3,974.88
Other Instructional Programs					
Salaries		1,171.18	1,171.18	1,171.18	-
Supplies & Materials		114.00	114.00	114.00	-
Total Other Instructional Programs	-	1,285.18	1,285.18	1,285.18	-
TOTAL INSTRUCTION	14,334,078.00	95,125.18	14,429,203.16	14,183,563.23	245,639.93
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	95,000.00	(45,377.16)	49,622.84	40,381.25	9,241.59
Tuition to Other LEAs Within the State - Special		57,447.74	57,447.74	24,168.79	33,278.95
Tuition to County Voc. School Dist. - Regular	129,453.00	29,850.00	159,303.00	70,303.00	89,000.00
Tuition to CSSD & Regional Day Schools	1,452,121.00	41,550.32	1,493,671.32	837,114.01	656,557.31
Tuition to Private Schools for the Disabled W/ State	1,094,480.00	47,100.00	1,141,580.00	1,102,942.90	38,637.10
Tuition - State Facilities	66,000.00		66,000.00	66,000.00	-
Total Undistributed Expenditures - Instruction	2,837,054.00	130,570.90	2,967,624.90	2,140,909.95	826,714.95
Undistributed Expend. - Attend. & Social Worker					
Salaries	34,083.00		34,083.00	31,770.67	2,312.33
Total Undist. Expend. - Attend. & Social Worker	34,083.00	-	34,083.00	31,770.67	2,312.33

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undistributed Expend. - Health Services					
Salaries	\$ 459,656.00	\$ (0.10)	\$ 459,655.90	\$ 444,475.52	\$ 15,180.38
Purchased Professional and Technical Services	11,500.00		11,500.00	11,500.00	-
Other Purchased Services (400-500 series)	3,200.00		3,200.00	1,938.60	1,261.40
Supplies & Materials	14,500.00	(1,135.68)	13,364.32	8,707.12	4,657.20
Other Objects	250.00		250.00		250.00
Total Undistributed Expend. - Health Services	489,106.00	(1,135.78)	487,970.22	466,621.24	21,348.98
Undist. Expend. - Other Support Serv. Students - Related Services					
Salaries	237,770.00	(18,404.76)	219,365.24	219,365.24	-
Purchased Professional - Education Services		18,646.00	18,646.00	18,646.00	-
Supplies & Materials	950.00		950.00	851.74	98.26
Total Undist. Expend. - Other Support Services Student - Related Services	236,720.00	241.24	238,961.24	238,862.98	98.26
Undist. Expend. - Guidance Regular					
Salaries of Other Professional Staff	779,644.00	(5,302.45)	774,341.55	774,061.16	280.39
Salaries of Secretarial and Clerical Assistance	77,998.00	(2,785.54)	75,212.46	74,504.54	707.92
Other Salaries	42,000.00	8,081.57	50,081.57	50,081.57	-
Purchased Professional - Education Services	10,000.00		10,000.00	4,588.00	5,412.00
Other Purchased Services (400-500 series)	29,625.00	24,539.59	54,164.59	25,312.59	28,852.00
Supplies and Materials	12,025.00	6.42	12,031.42	8,651.28	3,380.14
Other Objects	4,750.00		4,750.00	4,135.84	614.16
Total Undist. Expend. - Guidance	956,042.00	24,539.59	980,581.59	941,334.98	39,246.61
Undist. Expend. - Child Study Team Special					
Salaries of Other Professional Staff	816,851.00	(52,928.70)	563,922.30	562,371.05	1,551.25
Salaries of Secretarial and Clerical Assistants	65,598.00		65,598.00	58,071.54	7,526.46
Purchased Professional - Education Services	17,700.00	8,486.55	26,186.55	23,647.00	2,539.55
Misc Pur Serv (400-500 series O/than Resid Costs)	5,000.00		5,000.00	2,483.02	2,516.98
Supplies & Materials	9,000.00	1,227.69	10,227.69	7,177.19	3,050.50
Other Objects	1,712.00		1,712.00	806.00	906.00
Total Undist. Expend. - Child Study Team	715,861.00	(43,214.46)	672,646.54	654,555.80	18,090.74
Undist. Expend. - Instructional Staff Training					
Salaries of Secretarial and Clerical Assistants	42,293.00	1,834.25	44,127.25	30,906.54	13,220.71
Other Salaries		7,354.90	7,354.90	6,577.51	777.39
Purchased Professional - Education Services		6,134.00	6,134.00	6,134.00	-
Other Purchased Prof. and Tech. Services	30,000.00	(23,537.68)	6,462.32	5,913.00	549.32
Other Purchased Services (400-500 series)	4,500.00	(829.00)	3,671.00	386.67	3,284.33
Supplies & Materials	20,000.00	4,037.98	24,037.98	22,736.12	1,301.86
Other Objects	8,500.00	(4,229.00)	4,271.00	4,271.00	-
Total Undist. Expend. - Instructional Staff Training	105,293.00	(9,234.55)	96,058.45	76,924.84	19,133.61
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	233,399.00	0.12	233,399.12	233,039.97	359.15
Supplies & Materials	19,740.00	(594.32)	19,145.68	7,630.17	11,515.51
Other Objects	29,904.00	(2,903.76)	27,000.24	24,064.60	2,935.64
Total Undistributed Expenditures - Educational Media Services - School Library	283,043.00	(3,497.96)	279,545.04	264,734.74	14,810.30

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	\$ 223,780.00	\$ (4,615.50)	\$ 219,164.50	\$ 212,525.24	\$ 6,639.28
Legal Services	125,000.00	3,144.22	128,144.22	95,819.90	32,324.32
Audit Fees	34,700.00	2,000.00	38,700.00	36,700.00	-
Architectural/Engineering Services	5,000.00	(3,144.22)	1,855.78	1,275.00	580.78
Other Purchased Professional Services	10,000.00	(2,000.00)	8,000.00	5,000.00	3,000.00
Communications/Telephone	174,900.00	(17,024.17)	157,875.83	149,029.91	8,845.92
Misc. Purch Serv (400-500)	6,600.00	(365.00)	6,235.00	4,776.55	1,458.45
General Supplies	2,500.00	995.80	3,495.80	1,641.15	1,854.65
Judgements		990.00	990.00	990.00	-
Miscellaneous Expenditures	29,500.00	4,277.81	33,777.81	20,539.22	13,238.59
BOE Membership Dues and Fees	16,500.00		16,500.00	15,581.90	918.10
Total Undistributed Expenditures - Support Services - General Administration	828,480.00	(15,741.06)	612,738.94	543,878.87	68,860.07
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistance Principals	746,410.00	41,419.81	787,829.81	758,339.06	29,490.75
Salaries of Other Professional Staff	634,090.00	(123,556.58)	510,533.42	510,533.42	-
Salaries of Secretarial and Clerical Assistants	411,739.00	14,981.42	426,720.42	416,950.60	9,769.82
Other Purchased Services (400-500 series)	75,000.00	(14,417.10)	60,582.90	51,877.50	8,705.40
Supplies & Materials	55,900.00	2,620.10	58,520.10	48,082.49	10,437.61
Total Undistributed Expenditures - Support Services - School Administration	1,923,139.00	(78,952.35)	1,844,186.65	1,785,783.07	58,403.58
Undist. Expend. - Central Services					
Salaries	378,502.00	21,486.15	399,988.15	388,815.68	11,172.47
Miscellaneous Purchased Services (400-500 series)	25,000.00	14,697.19	39,697.19	38,850.84	846.35
Supplies and Materials	5,750.00	2,292.22	8,042.22	6,612.70	1,429.52
Interest on Lease Purchase Agreements	7,170.00	2,159.07	9,329.07	8,359.50	969.57
Miscellaneous Expenditures	20,250.00	(1,489.20)	18,760.80	13,026.70	5,734.10
Total Undistributed Expenditures - Central Services	436,672.00	39,145.43	475,817.43	455,665.42	20,152.01
Undist. Expend. - Admin. Info. Technology					
Salaries	116,157.00		116,157.00	111,728.62	4,428.38
Purchased Professional and Technical Services	134,380.00	440.00	134,820.00	106,730.05	28,089.95
Other Purchased Services (400-500 series)	5,700.00	49.53	5,749.53	1,846.17	3,903.36
Other Objects	1,660.00		1,660.00	1,660.00	-
Supplies and Materials	20,000.00		20,000.00	15,958.06	4,041.94
Total Undistributed Expenditures - Admin Info. Tech.	277,897.00	489.53	278,386.53	236,262.90	42,123.63
Undist. Expend. - Required Maint. School Fac.					
Salaries	171,645.00	268.98	171,913.98	169,027.56	2,886.42
Cleaning, Repair and Maintenance Service	294,050.00	(70,978.22)	223,071.78	181,103.77	41,968.01
General Supplies	67,200.00	16,054.22	83,254.22	67,633.74	15,820.48
Other Objects	4,000.00		4,000.00	1,880.50	2,119.50
Total Undistributed Expenditures - Required Maintenance for School Facilities	536,895.00	(54,655.02)	482,239.98	419,645.57	62,594.41
Undist. Expend. - Custodial Services					
Salaries	985,876.00	(12,645.47)	973,230.53	960,052.26	13,178.27
Salaries of Non Instructional Aids		64,523.63	64,523.63	64,523.63	-
Purchased Professional and Technical Services	56,150.00	8,286.65	64,436.65	54,824.64	9,612.01
Cleaning, Repairs & Maintenance	10,000.00	717.19	10,717.19	7,818.67	2,898.52
Rental of Land, Buildings & Other than Leases	95,000.00		95,000.00	95,000.00	-
Other Purchased Property Services	28,500.00	6,599.92	35,099.92	33,510.07	1,589.85
Insurance	180,203.00	(46,697.33)	133,505.67	133,505.67	-
General Supplies	88,000.00	(6,001.41)	81,998.59	77,535.78	4,462.81
Energy (Electricity)	517,500.00	133,287.31	650,787.31	650,713.54	73.77
Other Objects	5,250.00	(3,490.11)	1,759.89	285.00	1,474.89
Energy (Natural Gas)	398,500.00	(94,173.35)	304,326.65	284,138.34	20,188.31
Total Undistributed Expenditures - Custodial Services	2,364,979.00	50,407.03	2,415,386.03	2,361,907.60	53,478.43

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Security					
Salaries	\$ 53,982.00	\$ 4,037.62	\$ 58,019.62	\$ 55,841.66	\$ 2,177.96
Total Undistributed Expenditures - Security	53,982.00	4,037.62	58,019.62	55,841.66	2,177.96
Total Undistributed Expenditures - Maintenance of School Facilities	2,955,856.00	(210.37)	2,955,645.63	2,837,394.83	118,250.80
Undist. Expend. - Student Transportation Serv.					
Sal. - Pup. Trans. (Bet. Home & School) - Reg.	90,536.00	(35,802.37)	54,933.63	54,933.63	-
Other Purchased Professional and Tech. Services	5,400.00	15,958.48	21,358.48	19,137.64	2,220.84
Cleaning, Repair and Maintenance Service	1,000.00	3,718.03	4,718.03	4,718.03	-
Contracted Services - (Bet. Home & School) -Vendors	1,125,697.00	(16,121.88)	1,109,575.14	1,103,078.63	6,496.51
Contracted Services - (Other than Home & Sch)	159,000.00	19,709.49	178,709.49	178,709.49	-
Contr. Serv. - (Sp Ed Stds) -Vendors	833,110.00	178,544.23	1,011,654.23	1,011,654.23	-
Contr. Serv. - Aid in Lieu Payments - Non Pub. Sch.	100,000.00	(12,935.00)	87,065.00	87,065.00	-
Misc. Purchased Service - Transportation	25,000.00	(24,503.00)	497.00	497.00	-
Supplies & Materials	90,204.00	11,775.95	101,979.95	101,780.69	199.26
Other Objects	100.00	(100.00)	-	-	-
Total Undistributed Expenditures - Student Transportation Services	2,430,047.00	140,443.95	2,570,490.95	2,561,574.34	8,916.61
Unallocated Benefits					
Social Security Contribution	650,000.00	(101,857.70)	548,142.30	469,685.82	78,456.48
Other Retirement Contributions - Regular	321,575.00	243,716.53	565,291.53	565,291.53	-
Unemployment Compensation	205,362.00	70,296.96	275,658.96	265,055.80	10,603.16
Workmen's Compensation	239,581.00	(27,416.78)	212,164.22	205,311.14	6,853.08
Health Benefits	4,593,604.00	(309,689.23)	4,283,914.77	4,079,511.44	204,403.33
Tuition Reimbursement	30,000.00	5,890.00	35,890.00	35,111.00	779.00
Other Employee Benefits	665,968.00	67,116.58	733,084.58	627,279.80	105,804.78
Total Unallocated Benefits	6,706,090.00	(51,943.64)	6,654,146.36	6,247,246.53	406,899.83
On-Behalf Contributions					
TPAF Pension (On-Behalf - Non-Budgeted)					
Normal Cost			-	48,778.00	(48,778.00)
Post Retirement Medical			-	1,036,049.00	(1,036,049.00)
Reimbursed TPAF Social Security Cont.(non-bud)			-	1,266,532.76	(1,266,532.76)
Total On-Behalf Contributions			-	2,351,359.76	(2,351,359.76)
Total Personal Services - Employee Benefits	6,706,090.00	(51,943.64)	6,654,146.36	6,598,606.29	(1,944,459.93)
TOTAL UNDISTRIBUTED EXPENDITURES	21,017,383.00	131,500.47	21,148,883.47	21,834,880.92	(685,997.45)
TOTAL GENERAL CURRENT EXPENSE	35,351,461.00	226,625.63	35,578,086.63	36,018,444.15	(440,357.52)
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	1,000.00		1,000.00		1,000.00
Equipment					
Undistributed - Instruction	25,000.00		25,000.00		25,000.00
Undistributed - Central Services		99,168.61	99,168.61	84,946.44	14,222.17
Transportation - School Buses - Regular		35,202.74	35,202.74	35,202.74	-
Undistributed - Operation & Maint. Of Plant Serv			-		-
Total Equipment	25,000.00	134,371.35	160,371.35	120,149.18	40,222.17
Facilities Acquisition and Construction Services					
Lease Purchase Agreements - Principal	138,884.00	(134,371.26)	4,512.74	4,512.74	(0.00)
Other Objects	156,120.00		156,120.00	156,120.00	-
Total Facilities Acquisition and Construction Services	295,004.00	(134,371.26)	160,632.74	160,632.74	(0.00)
TOTAL CAPITAL OUTLAY	321,004.00	0.09	321,004.09	280,781.92	40,222.17
Transfer of Funds to Charter Schools	32,092.00	46,703.00	78,795.00	62,965.00	15,830.00
TOTAL EXPENDITURES	35,704,557.00	273,328.72	35,977,885.72	36,362,191.07	(384,305.35)

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (849,886.00)	\$ (273,328.72)	\$ (1,123,214.72)	\$ 1,360,836.09	\$ 2,484,050.81
Other Financing Sources:					
Operating Transfers In:					
Capital Outlay - Transfer from Capital Projects	150,000.00	-	150,000.00	-	(150,000.00)
Capital Project Fund Interest				9,641.98	9,641.98
Operating Transfers Out:					
Capital Outlay - Transfer to Capital Projects			-	(689,731.00)	(689,731.00)
Total Other Financing Sources:	<u>150,000.00</u>	<u>-</u>	<u>150,000.00</u>	<u>(680,089.02)</u>	<u>(830,089.02)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(699,886.00)	(273,328.72)	(973,214.72)	680,747.07	1,653,961.79
Fund Balance July 1	<u>1,730,604.58</u>		<u>1,730,604.58</u>	<u>1,730,604.58</u>	<u>-</u>
Fund Balance June 30	<u>\$ 1,030,718.58</u>	<u>\$ (273,328.72)</u>	<u>\$ 757,389.86</u>	<u>\$ 2,411,351.65</u>	<u>\$ 1,653,961.79</u>
Recapitulation:					
Reserve for Encumbrances	\$ -	\$ (270,156.72)	\$ (270,156.72)	\$ (270,156.72)	\$ -
Budgeted Fund Balance	<u>(699,886.00)</u>	<u>(3,172.00)</u>	<u>(703,058.00)</u>	950,903.79	<u>1,653,961.79</u>
	<u>\$ (699,886.00)</u>	<u>\$ (273,328.72)</u>	<u>\$ (973,214.72)</u>	<u>\$ 680,747.07</u>	<u>\$ 1,653,961.79</u>
Recapitulation:					
Restricted Fund Balance:					
Reserve for Excess Surplus				\$ 979,010.64	
Committed Fund Balance:					
Encumbrances				194,636.42	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				500,000.00	
Unassigned Fund Balance				<u>737,704.59</u>	
				<u>2,411,351.65</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments not recognized on GAAP basis				1,643,843.00	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 767,508.65</u>	

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ -	\$ 20,527.00	\$ 20,527.00	\$ 19,487.46	\$ (1,039.54)
State Sources	729,660.00	2,130.06	731,790.06	735,106.98	3,316.92
Federal Sources	2,128,288.00	1,580,170.85	3,708,458.85	2,820,333.38	(888,125.47)
Total Revenues	2,857,948.00	1,602,827.91	4,460,775.91	3,574,927.82	(885,848.09)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	2,408,022.05	(1,160,475.83)	1,247,546.22	1,151,089.30	96,456.92
Other Salaries for Instruction	54,195.00	1,512.00	55,707.00	54,029.45	1,677.55
Purchased Professional and Technical Services	178,673.00	180,594.26	359,267.26	300,363.71	58,903.55
Other Purchased Services (400-500 series)	3,200.00	135,669.00	138,869.00	122,547.20	16,321.80
Tuition		480,851.00	480,851.00	480,851.00	-
General Supplies	43,104.00	226,003.86	269,107.86	109,037.06	160,070.80
Textbooks	55,169.00	7,696.00	62,865.00	62,206.35	658.65
Other Objects	3,500.00	(3,500.00)	-	-	-
Total Instruction	2,745,863.05	(131,649.71)	2,614,213.34	2,280,124.07	334,089.27
Support Services:					
Salaries of Other Professional Staff	32,564.20	269,358.36	301,922.56	95,443.81	206,478.75
Salaries of Secretarial and Clerical Assistants	14,097.75	16,809.35	30,907.10	22,773.24	8,133.86
Personal Services - Employee Benefits		611,736.36	611,736.36	574,340.54	37,395.82
Purchased Professional Educational Services		208,517.87	208,517.87	57,035.46	151,482.41
Purchased Technical Services	65,423.00	235,265.14	300,688.14	297,686.19	3,001.95
Travel		33,484.90	33,484.90	18,707.76	14,777.14
Other Purchased Services (400-500 series)		13,310.50	13,310.50	8,327.50	4,983.00
Supplies & Materials		108,900.14	108,900.14	53,301.09	55,599.05
Other Objects		16,713.00	16,713.00	-	16,713.00
Total Support Services	112,084.95	1,514,095.62	1,626,180.57	1,127,615.59	498,564.98

**BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	\$ -	\$ 220,382.00	\$ 220,382.00	\$ 167,188.16	\$ 53,193.84
Non - Instructional Equipment			-		-
Total Facilities Acquisitions and Const. Services:	<u>-</u>	<u>220,382.00</u>	<u>220,382.00</u>	<u>167,188.16</u>	<u>53,193.84</u>
Other Financing Sources (Uses)					
None	-	-	-	-	-
Total Outflows	<u>2,857,948.00</u>	<u>1,602,827.91</u>	<u>4,460,775.91</u>	<u>3,574,927.82</u>	<u>885,848.09</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>				

Notes to the Required Supplementary Information

BUENA REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2011

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 37,723,027.16	[C-2]	\$ 3,574,927.82
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				62,528.64
The Final State Aid payment for the Year Ended June 30, 2010 that was delayed until July 2010 was recorded as budgetary revenue for the Year Ended June 30, 2010 but is not recognized under GAAP until the Year Ended June 30, 2011.		1,846,245.00		-
The Final Two State Aid payments for the Year Ended June 30, 2011 that was delayed until July 2011 was recorded as budgetary revenue for the Year Ended June 30, 2011 but is not recognized under GAAP until the Year Ended June 30, 2012.		(1,643,843.00)		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 37,925,429.16	[B-2]	\$ 3,637,456.46
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 36,362,191.07	[C-2]	\$ 3,574,927.82
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.				62,528.64
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 36,362,191.07	[B-2]	\$ 3,637,456.46

Other Supplementary Information

**SPECIAL REVENUE FUND DETAIL
STATEMENTS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Title I Part A	Carryover Title I Part A	NCLB Rewards	IDEA	IDEA Preschool	Talent 21
REVENUES:						
Local Sources						
State Sources						
Federal Sources	\$ 635,915.43	\$ 261,081.61	\$ 98,086.93	\$ 649,173.70	\$ 11,512.00	\$ 161,693.27
Total Revenues	635,915.43	261,081.61	98,086.93	649,173.70	11,512.00	161,693.27
EXPENDITURES:						
Instruction:						
Salaries of Teachers	393,476.00	84,032.35	64,481.55			126,552.85
Other Salaries for Instruction						
Purchased Professional and Technical Services	62,674.75			480,851.00		13,282.20
Other Purchased Services (400-500 series)						
Tuition						
General Supplies	10,596.23		12,300.00			1,487.22
Textbooks						
Other Objects						
Total Instruction	466,746.98	84,032.35	76,781.55	480,851.00	-	141,322.27
Support Services:						
Salaries of Other Professional Staff		2,711.10	2,271.36			
Salaries of Secretarial and Clerical Assistants	22,773.24					
Personal Services - Employee Benefits	103,880.38	174,338.16	15,040.12	5,717.00		20,371.00
Purchased Professional Educational Services			2,887.00	44,391.39	4,447.00	
Purchased Technical Services	23,168.00		175.90	117,310.31	7,065.00	
Travel	812.09					
Other Purchased Services (400-500 series)	3,449.00		931.00	904.00		
Supplies & Materials	15,085.74					
Total Support Services	169,168.45	177,049.26	21,305.38	168,322.70	11,512.00	20,371.00
Facilities Acquisitions and Construction Services:						
Instructional Equipment						
Total Outflows	635,915.43	261,081.61	98,086.93	649,173.70	11,512.00	161,693.27
Excess (Deficiency) of Revenues Over (Under)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures and Other Financing Sources (Uses)						

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Title II	Carryover Title II	Title IID	Carryover Title IID	Title III	Perkins
REVENUES:						
Local Sources						
State Sources						
Federal Sources	\$ 145,742.82	\$ 30,852.08	\$ 704.00	\$ 391.00	\$ 7,417.54	\$ 58,315.27
Total Revenues	<u>145,742.82</u>	<u>30,852.08</u>	<u>704.00</u>	<u>391.00</u>	<u>7,417.54</u>	<u>58,315.27</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers	103,181.48					
Other Salaries for Instruction						
Purchased Professional and Technical Services					5,112.54	54,239.00
Other Purchased Services (400-500 series)						
Tuition						
General Supplies						
Textbooks						
Other Objects						
Total Instruction	<u>103,181.48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,112.54</u>	<u>54,239.00</u>
Support Services:						
Salaries of Other Professional Staff						
Salaries of Secretarial and Clerical Assistants		29,063.58				
Personal Services - Employee Benefits	37,103.89					
Purchased Professional Educational Services		500.00	676.00		600.00	
Purchased Technical Services	2,007.45					
Travel	3,450.00	1,009.50	28.00	391.00	1,705.00	
Other Purchased Services (400-500 series)		279.00				
Supplies & Materials						
Total Support Services	<u>42,561.34</u>	<u>30,852.08</u>	<u>704.00</u>	<u>391.00</u>	<u>2,305.00</u>	<u>-</u>
Facilities Acquisitions and Construction Services:						
Instructional Equipment						4,076.27
Total Outflows	<u>145,742.82</u>	<u>30,852.08</u>	<u>704.00</u>	<u>391.00</u>	<u>7,417.54</u>	<u>58,315.27</u>
Excess (Deficiency) of Revenues Over (Under)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures and Other Financing Sources (Uses)						

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	ARRA IDEA	ARRA IDEA Preschool	American History Grant	Include	ARRA Title I SIA	ARRA Title I
REVENUES:						
Local Sources						
State Sources						
Federal Sources	\$ 453,839.93	\$ 6,736.87	\$ 124,313.02	\$ 22,740.24	\$ 10,630.00	\$ 163,927.91
Total Revenues	<u>453,839.93</u>	<u>6,736.87</u>	<u>124,313.02</u>	<u>22,740.24</u>	<u>10,630.00</u>	<u>163,927.91</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers	55,850.50	4,458.84	4,883.88	9,724.23		90,769.62
Other Salaries for Instruction						
Purchased Professional and Technical Services	80,000.00		104,000.00			
Other Purchased Services (400-500 series)						
Tuition						
General Supplies	99.00	322.15	3,844.18		4,960.00	6,317.20
Textbooks						
Other Objects						
Total Instruction	<u>135,949.50</u>	<u>4,780.99</u>	<u>112,728.06</u>	<u>9,724.23</u>	<u>4,960.00</u>	<u>97,086.82</u>
Support Services:						
Salaries of Other Professional Staff	81,707.61			5,153.74		
Salaries of Secretarial and Clerical Assistants						
Personal Services - Employee Benefits		1,955.88		2,375.58		56,879.95
Purchased Professional Educational Services				5,310.07		
Purchased Technical Services	58,794.18		11,584.96	91.62	5,670.00	9,414.00
Travel						
Other Purchased Services (400-500 series)	14,276.75			85.00		547.14
Supplies & Materials						
Total Support Services	<u>154,778.54</u>	<u>1,955.88</u>	<u>11,584.96</u>	<u>13,016.01</u>	<u>5,670.00</u>	<u>66,841.09</u>
Facilities Acquisitions and Construction Services:						
Instructional Equipment	163,111.89					
Total Outflows	<u>453,839.93</u>	<u>6,736.87</u>	<u>124,313.02</u>	<u>22,740.24</u>	<u>10,630.00</u>	<u>163,927.91</u>
Excess (Deficiency) of Revenues Over (Under)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures and Other Financing Sources (Uses)						

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Non-Public Textbooks	Non-Public Basic Skills	Non-Public Transportation	Non-Public Examination & Classification	Preschool Education Aid	Non-Public Speech
REVENUES:						
Local Sources						
State Sources	\$ 62,206.35	\$ 56,182.83	\$ 29,265.00	\$ 29,343.92	\$ 412,717.73	\$ 25,581.21
Federal Sources						
Total Revenues	<u>62,206.35</u>	<u>56,182.83</u>	<u>29,265.00</u>	<u>29,343.92</u>	<u>412,717.73</u>	<u>25,581.21</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers					213,678.00	
Other Salaries for Instruction					54,029.45	25,581.21
Purchased Professional and Technical Services		56,182.83	29,265.00	29,343.92		
Other Purchased Services (400-500 series)						
Tuition						
General Supplies					9,759.54	
Textbooks	62,206.35					
Other Objects						
Total Instruction	<u>62,206.35</u>	<u>56,182.83</u>	<u>29,265.00</u>	<u>29,343.92</u>	<u>277,466.99</u>	<u>25,581.21</u>
Support Services:						
Salaries of Other Professional Staff					3,600.00	
Salaries of Secretarial and Clerical Assistants						
Personal Services - Employee Benefits					127,615.00	
Purchased Professional Educational Services						
Purchased Technical Services					4,035.74	
Travel						
Other Purchased Services (400-500 series)						
Supplies & Materials						
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,250.74</u>	<u>-</u>
Facilities Acquisitions and Construction Services:						
Instructional Equipment						
Total Outflows	<u>62,206.35</u>	<u>56,182.83</u>	<u>29,265.00</u>	<u>29,343.92</u>	<u>412,717.73</u>	<u>25,581.21</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Non-Public Nursing	Non-Public Supplemental Instruction	Safety Grant	Garden Award	Totals 2011
REVENUES:					
Local Sources	\$ 74,488.70	22,581.00	\$ 18,005.00	\$ 1,482.46	\$ 19,487.46
State Sources					735,106.98
Federal Sources					2,820,333.38
Total Revenues	74,488.70	22,581.00	18,005.00	1,482.46	3,574,927.82
EXPENDITURES:					
Instruction:					
Salaries of Teachers					1,151,089.30
Other Salaries for Instruction		22,581.00			54,029.45
Purchased Professional and Technical Services					300,363.71
Other Purchased Services (400-500 series)					122,547.20
Tuition					480,851.00
General Supplies					109,037.06
Textbooks					62,206.35
Other Objects					-
Total Instruction	-	22,581.00	-	-	2,280,124.07
Support Services:					
Salaries of Other Professional Staff					95,443.81
Salaries of Secretarial and Clerical Assistants					22,773.24
Personal Services - Employee Benefits					574,340.54
Purchased Professional Educational Services					57,035.46
Purchased Technical Services	74,488.70				297,686.19
Travel					18,707.76
Other Purchased Services (400-500 series)			18,005.00	1,482.46	8,327.50
Supplies & Materials					53,301.09
Total Support Services	74,488.70	-	18,005.00	1,482.46	1,127,615.59
Facilities Acquisitions and Construction Services:					
Instructional Equipment					167,188.16
Total Outflows	74,488.70	22,581.00	18,005.00	1,482.46	3,574,927.82
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

BUENA REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2011

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 213,678.00	\$ 213,678.00	\$ -
Other Salaries for Instruction	56,107.00	54,029.45	2,077.55
Other Purchased Services (400-500 series)	-		-
General Supplies	13,655.06	9,759.54	3,895.52
Total Instruction	<u>283,440.06</u>	<u>277,466.99</u>	<u>5,973.07</u>
Support Services:			
Salaries of Other Professional Staff	3,600.00	3,600.00	-
Travel	5,000.00	4,035.74	964.26
Personal Services - Employee Benefits	127,615.00	127,615.00	-
Total Support Services	<u>136,215.00</u>	<u>135,250.74</u>	<u>964.26</u>
Facilities Acquisition and Construction Services			
None			-
Total Facilities Acquisition and Construction Ser.	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Charter Schools			
None			-
Contribution to Whole School Reform			
None			-
Total Expenditures	<u>\$ 419,655.06</u>	<u>\$ 412,717.73</u>	<u>\$ 6,937.33</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2010-11 Preschool Aid Allocation	\$ 419,601.00
Adjustments	
Add: Actual ECPA Carryover June 30, 2010	56,174.65
Add: Budgeted Transfer from the General Fund	-
Total Preschool Education Aid Funds Available for 2010-11 Budget	<u>475,775.65</u>
Less: 2010-11 Budgeted Preschool Education Aid	(419,655.06)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2011	<u>56,120.59</u>
Add: June 30, 2011 Unexpended Preschool Education Aid	6,937.33
2010-11 Actual Carryover - Preschool Education Aid	<u>\$ 63,057.92</u>
2010-11 Preschool Education Aid Carryover Budgeted for 2011-12	<u>\$ 45,681.00</u>

**CAPITAL PROJECTS FUND DETAIL
STATEMENTS**

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Summary
For the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 14,716,263.87	\$ 5,945,853.00	\$ 20,662,116.87	\$ 20,662,116.87
Bond Proceeds and Transfers	9,765,000.00	4,183,000.00	13,948,000.00	13,948,106.00
Transfer from Capital Reserve	1,679,623.22	689,731.00	2,369,354.22	2,369,354.22
Transfer from Capital Reserve - 30	(44,298.00)	-	(44,298.00)	(44,298.00)
Transfer from Capital Outlay	-	-	-	-
Total Revenues	<u>26,116,589.09</u>	<u>10,818,584.00</u>	<u>36,935,173.09</u>	<u>36,935,279.09</u>
Expenditures and Other Financing Uses				
Project Expenditures	22,241,006.45	2,876,077.07	25,117,083.52	36,922,651.56
Cancelled to General Fund	12,627.53	-	12,627.53	12,627.53
Total Expenditures	<u>22,253,633.98</u>	<u>2,876,077.07</u>	<u>25,129,711.05</u>	<u>36,935,279.09</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 3,862,955.11</u>	<u>\$ 7,942,506.93</u>	<u>\$ 11,805,462.04</u>	<u>\$ -</u>

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Early Childhood Center - Preliminary Costs
For the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond Proceeds and Transfers			-	-
Transfer from Capital Reserve	29,453.39		29,453.39	29,453.39
Transfer from Capital Reserve - 30	11,049.00		11,049.00	11,049.00
Transfer from Capital Outlay			-	-
Total Revenues	<u>40,502.39</u>	<u>-</u>	<u>40,502.39</u>	<u>40,502.39</u>
Expenditures and Other Financing Uses				
Project Expenditures	39,437.39		39,437.39	40,502.39
Cancelled to General Fund			-	-
Total Expenditures	<u>39,437.39</u>	<u>-</u>	<u>39,437.39</u>	<u>40,502.39</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,065.00</u>	<u>\$ -</u>	<u>\$ 1,065.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Costs	\$ 40,502.39
Revised Authorized Cost	40,502.39
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	2010
Revised Target Completion Date	2010

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New Middle School
For the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 14,412,222.00	\$	\$ 14,412,222.00	\$ 14,412,222.00
Bond Proceeds and Transfers	9,765,000.00		9,765,000.00	9,765,000.00
Transfer from Capital Reserve	356,161.53		356,161.53	356,161.53
Transfer from Capital Reserve - 30	(215,075.00)		(215,075.00)	(215,075.00)
Transfer from Capital Outlay			-	-
Total Revenues	<u>24,318,308.53</u>	<u>-</u>	<u>24,318,308.53</u>	<u>24,318,308.53</u>
Expenditures and Other Financing Uses				
Project Expenditures	21,572,401.27	342,961.25	21,915,362.52	24,318,308.53
Transfer to Debt Service Fund	-		-	-
Total Expenditures	<u>21,572,401.27</u>	<u>342,961.25</u>	<u>21,915,362.52</u>	<u>24,318,308.53</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 2,745,907.26</u>	<u>\$ (342,961.25)</u>	<u>\$ 2,402,946.01</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0590-N01-02-0219
Grant Date	3/24/2006
Bond Authorization Date	9/27/2005
Bonds Authorized	\$ 9,765,000.00
Bonds Issued	9,765,000.00
Original Authorized Costs	24,177,736
Revised Authorized Cost	24,177,736
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	90.64%
Original Target Completion Date	Sept - 2008
Revised Target Completion Date	Jan - 2010

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
High School HVAC
For the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 304,041.87	\$ -	\$ 304,041.87	\$ 304,041.87
Bond Proceeds and Transfers			-	-
Transfer from Capital Reserve	178,138.30		178,138.30	178,138.30
Transfer from Capital Reserve - 30			-	-
Transfer from Capital Outlay			-	-
Total Revenues	<u>482,180.17</u>	<u>-</u>	<u>482,180.17</u>	<u>482,180.17</u>
Expenditures and Other Financing Uses				
Project Expenditures	469,439.79		469,439.79	469,552.64
Cancelled to General Fund	12,627.53		12,627.53	12,627.53
Total Expenditures	<u>482,067.32</u>	<u>-</u>	<u>482,067.32</u>	<u>482,180.17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 112.85</u>	<u>\$ -</u>	<u>\$ 112.85</u>	<u>\$ -</u>

Additional Project Information:	0590-025-03-0840
Project Number	N/A
Grant Date	2003/2004
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Costs	\$ 486,830.00
Revised Authorized Cost	482,180.17
Percentage Increase over Original Authorized Cost	-0.96%
Percentage Completion	100%
Original Target Completion Date	Jun-05
Revised Target Completion Date	Sep-06

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Collings Lake HVAC
For the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond Proceeds and Transfers			-	-
Transfer from Capital Reserve	1,115,870.00	300,000.00	1,415,870.00	1,415,870.00
Transfer from Capital Reserve - 30			-	
Transfer from Capital Outlay			-	-
Total Revenues	<u>1,115,870.00</u>	<u>300,000.00</u>	<u>1,415,870.00</u>	<u>1,415,870.00</u>
Expenditures and Other Financing Uses				
Project Expenditures			-	1,415,870.00
Cancelled to General Fund			-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,415,870.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,115,870.00</u>	<u>\$ 300,000.00</u>	<u>\$ 1,415,870.00</u>	<u>\$ -</u>

Additional Project Information: 0590-045-03-0842

Project Number N/A

Grant Date 2010

Bond Authorization Date N/A

Bonds Authorized N/A

Bonds Issued N/A

Original Authorized Costs \$ 815,870.00

Revised Authorized Cost 1,415,870.00

Percentage Increase over Original Authorized Cost 73.54%

Percentage Completion 0%

Original Target Completion Date 2012

Revised Target Completion Date 2012

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Additions and Renovations to J.P. Cleary Elementary School, Buena Regional High School & Collings Lakes
Elementary School
For the Year Ended June 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$	\$ 5,945,853.00	\$ 5,945,853.00	\$ 5,945,853.00
Bond Proceeds and Transfers		4,183,000.00	4,183,000.00	4,183,106.00
Transfer from Capital Reserve		389,731.00	389,731.00	389,731.00
Transfer from Capital Reserve - 30			-	
Transfer from Capital Outlay			-	
Total Revenues	<u>-</u>	<u>10,518,584.00</u>	<u>10,518,584.00</u>	<u>10,518,690.00</u>
Expenditures and Other Financing Uses				
Project Expenditures		2,533,116.82	2,533,116.82	10,518,690.00
Cancelled to General Fund			-	
Total Expenditures	<u>-</u>	<u>2,533,116.82</u>	<u>2,533,116.82</u>	<u>10,518,690.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 7,985,467.18</u>	<u>\$ 7,985,467.18</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0590-N01-02-0219
Grant Date	2010
Bond Authorization Date	December 14, 2010
Bonds Authorized	4,183,106.00
Bonds Issued	4,183,000.00
Original Authorized Costs	\$ 10,128,959.00
Revised Authorized Cost	10,128,959.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	24.08%
Original Target Completion Date	2013
Revised Target Completion Date	2013

BUENA REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Irrigation at Practice Football Field & New Middle School
For the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond Proceeds and Transfers			-	
Transfer from Capital Reserve			-	
Transfer from Capital Reserve - 30	159,728.00		159,728.00	159,728.00
Transfer from Capital Outlay			-	
Total Revenues	<u>159,728.00</u>	<u>-</u>	<u>159,728.00</u>	<u>159,728.00</u>
Expenditures and Other Financing Uses				
Project Expenditures	159,728.00	(1.00)	159,727.00	159,728.00
Cancelled to General Fund			-	
Total Expenditures	<u>159,728.00</u>	<u>(1.00)</u>	<u>159,727.00</u>	<u>159,728.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Costs	\$ 159,728.00
Revised Authorized Cost	159,728.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	2009
Revised Target Completion Date	Jul-05

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Service Fund - This fund provides for the operation of food services in all schools within the school district.

Latchkey Fund - This fund provides for the operation of the Day Care program.

Marketing Lab - This fund provides for the operation of the School Store.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS
B-4, B-5 AND B-6.**

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Unemployment Compensation Fund - This Trust Fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

BUENA REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011

	Private Purpose Trust	Agency Funds	Totals
ASSETS			
Cash and Cash Equivalents	\$ 256,488.36	\$ 186,640.61	\$ 443,128.97
Investments, at Fair Value	49,012.00		49,012.00
Interfunds		-	-
Total Assets	<u>305,500.36</u>	<u>186,640.61</u>	<u>492,140.97</u>
LIABILITIES			
Payable to Student Groups		153,151.88	153,151.88
Accounts Payable			-
Interfunds		33,488.73	33,488.73
Payroll Deductions & Withholdings		-	-
Total Liabilities	<u>-</u>	<u>186,640.61</u>	<u>186,640.61</u>
NET ASSETS			
Reserve for Scholarships	\$ <u>305,500.36</u>		<u>305,500.36</u>
Total Net Assets			<u>305,500.36</u>
Total Liabilities and Net Assets			<u>\$ 492,140.97</u>

BUENA REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Private Purpose Trust	Totals
ADDITIONS		
Contributions:		
Donations	\$ 83,500.00	\$ 83,500.00
Total Contributions	<u>83,500.00</u>	<u>83,500.00</u>
Investments Earnings:		
Dividends and Interest	163.13	163.13
Net Increase (Decrease) in the Fair Market Value of Investments	7,793.56	7,793.56
Net Investment Earnings	<u>7,956.69</u>	<u>7,956.69</u>
Total Additions	<u>91,456.69</u>	<u>91,456.69</u>
Deductions		
Scholarships Awarded	86,205.00	86,205.00
Total Deductions	<u>86,205.00</u>	<u>86,205.00</u>
Change in Net Assets	5,251.69	5,251.69
Net Assets - Beginning of the Year	<u>300,248.67</u>	<u>300,248.67</u>
Net Assets - End of the Year	<u>\$ 305,500.36</u>	<u>\$ 305,500.36</u>

BUENA REGIONAL SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2011</u>
Elementary Schools							
Edgerton Memorial	\$ 2,049.18	\$	3,648.50	\$	2,678.25	\$	3,019.43
William B. Donini	950.12		5,773.02		4,895.48		1,827.66
Collings Lake	1,048.35		3,676.39		3,390.47		1,334.27
John C. Milanesi	7,985.23		6,883.51		7,103.14		7,765.60
 J.P. Cleary Junior High School	 24,732.63		 38,090.13		 37,017.83		 25,804.93
 Buena Regional High School							
Activities	96,830.54		208,003.79		204,216.61		100,617.72
Athletic	10,153.65		98,323.69		95,695.07		12,782.27
 Total Assets	 \$ <u>143,749.70</u>	 \$	 <u>364,399.03</u>	 \$	 <u>354,996.85</u>	 \$	 <u>153,151.88</u>

BUENA REGIONAL SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ -	\$ 24,210,509.97	\$ 24,177,021.24	\$ 33,488.73
Total Assets	<u>\$ -</u>	<u>\$ 24,210,509.97</u>	<u>\$ 24,177,021.24</u>	<u>\$ 33,488.73</u>
LIABILITIES:				
Payroll Deductions & Withholding	\$ -	\$ 10,208,396.39	\$ 10,208,396.39	\$ -
Interfunds	-	33,488.73		33,488.73
Net Pay	-	13,968,624.85	13,968,624.85	-
Total Liabilities	<u>\$ -</u>	<u>\$ 24,210,509.97</u>	<u>\$ 24,177,021.24</u>	<u>\$ 33,488.73</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.

BUENA REGIONAL SCHOOL DISTRICT
Schedule of General Serial Bonds
As of June 30, 2011

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2011				Balance June 30, 2010	Increased	Decreased	Balance June 30, 2011
			Date	Amount	Interest Rate	Amount				
2005 School Bonds	12/15/2005	9,765,000	7/15/2011	650,000.00	3.850%	8,585,000.00		620,000.00	7,965,000.00	
			7/15/2012	680,000.00	3.850%					
			7/15/2013	715,000.00	3.850%					
			7/15/2014	745,000.00	3.850%					
			7/15/2015	775,000.00	3.850%					
			7/15/2016	810,000.00	3.850%					
			7/15/2017	845,000.00	3.850%					
			7/15/2018	880,000.00	3.850%					
			7/15/2019	915,000.00	3.900%					
			7/15/2020	950,000.00	3.900%					
			2010 School Bonds	5/1/2011	4,183,000	5/1/2012	110,000.00	4.750%		4,183,000.00
5/1/2013	115,000.00	4.750%								
5/1/2014	120,000.00	4.750%								
5/1/2015	125,000.00	4.750%								
5/1/2016	130,000.00	4.750%								
5/1/2017	135,000.00	4.750%								
5/1/2018	140,000.00	5.000%								
5/1/2019	145,000.00	5.000%								
5/1/2020	150,000.00	5.000%								
5/1/2021	155,000.00	5.000%								
5/1/2022	160,000.00	5.000%								
5/1/2023	165,000.00	5.000%								
5/1/2024	170,000.00	5.000%								
5/1/2025	180,000.00	5.000%								
5/1/2026	185,000.00	5.000%								
5/1/2027	190,000.00	5.000%								
5/1/2028	195,000.00	5.000%								
5/1/2029	200,000.00	5.125%								
5/1/2030	200,000.00	5.250%								
5/1/2031	200,000.00	5.250%								
5/1/2032	200,000.00	5.375%								
5/1/2033	200,000.00	5.500%								
5/1/2034	200,000.00	5.500%								
5/1/2035	210,000.00	5.625%								
5/1/2036	203,000.00	5.625%								

\$ 8,585,000.00 \$ 4,183,000.00 \$ 620,000.00 \$ 12,148,000.00

BUENA REGIONAL SCHOOL DISTRICT
Schedule of Obligations Under Capital Lease
As of June 30, 2011

Description	Amount of Original Issue	Balance July 1, 2010	Issued Current Year	Retired Current Year	Balance June 30, 2011
Technology Equipment	\$ 161,000	\$ 35,070.91	\$ -	\$ 35,070.91	\$ -
Various Copiers	277,000	60,356.44		60,356.44	-
Equipment	121,532	81,189.92		27,389.92	53,800.00
		<u>\$ 176,617.27</u>	<u>\$ -</u>	<u>\$ 122,817.27</u>	<u>\$ 53,800.00</u>

BUENA REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 951,455.00	\$ -	\$ 951,455.00	\$ 951,454.98	\$ 0.02
Total - State Sources	-	-	-	-	-
Total Revenues	951,455.00	-	951,455.00	951,454.98	0.02
EXPENDITURES:					
Regular Debt Service:					
Interest	331,455.00		331,455.00	331,455.00	-
Redemption of Principal	620,000.00		620,000.00	620,000.00	-
Total Regular Debt Service	951,455.00	-	951,455.00	951,455.00	-
Total Expenditures	951,455.00	-	951,455.00	951,455.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(0.02)	(0.02)
Other Financing Sources (Uses):					
Operating Transfers In:					
Deferred Interest Realized					-
Capital Project Fund Interest				0.02	0.02
Total Other Financing Sources (Uses):	-	-	-	0.02	0.02
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	(0.00)	(0.00)
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ (0.00)	\$ (0.00)

Statistical Section

BUENA REGIONAL SCHOOL DISTRICT
Net Assets by Component,
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$ 4,479,541.98	\$ 5,324,888.91	\$ 6,961,949.95	\$ 7,261,741.82	\$ 7,661,656.64	\$ 8,094,635.12	\$ 11,110,156.66	\$ 20,215,887.84	\$ 17,363,921.94
Restricted	857,020.24	1,596,562.11	367,535.12	(247,389.10)	716,497.52	421,756.61	5,686,822.14	2,231,020.28	6,068,988.58
Unrestricted	(3,794,858.97)	(1,169,583.60)	(1,060,617.91)	(415,430.66)	628,034.92	299.41	(142,950.80)	(1,476,235.42)	(696,191.35)
Total governmental activities net assets	\$ 1,541,703.25	\$ 5,751,847.42	\$ 6,268,867.16	\$ 6,598,922.06	\$ 9,006,189.08	\$ 8,516,691.14	\$ 16,654,028.00	\$ 20,970,672.70	\$ 22,836,719.17
Business-type activities									
Invested in capital assets, net of related debt	\$ 105,638.59	\$ 86,274.93	\$ 66,911.27	\$ 47,548.11	\$ 28,184.95	\$ 8,821.79	\$ -	\$ 340,492.26	\$ 274,308.96
Restricted	6,055.10	(19,139.59)	(113,297.86)	(120,859.87)	(102,493.06)	(250,239.98)	(186,183.26)	(37,082.07)	(16,334.35)
Unrestricted	111,693.69	67,135.34	(46,386.59)	(73,311.76)	(74,308.11)	(241,418.19)	(186,183.26)	303,410.19	257,974.61
Total business-type activities net assets	\$ 111,693.69	\$ 67,135.34	\$ (46,386.59)	\$ (73,311.76)	\$ (74,308.11)	\$ (241,418.19)	\$ (186,183.26)	\$ 303,410.19	\$ 257,974.61
District-wide									
Invested in capital assets, net of related debt	\$ 4,585,180.57	\$ 5,411,143.84	\$ 7,028,861.22	\$ 7,309,289.93	\$ 7,689,841.59	\$ 8,103,456.91	\$ 11,110,156.66	\$ 20,556,380.10	\$ 17,638,230.90
Restricted	857,020.24	1,596,562.11	367,535.12	(247,389.10)	716,497.52	421,756.61	5,686,822.14	2,231,020.28	6,068,988.58
Unrestricted	(3,788,803.87)	(1,188,723.19)	(1,173,915.77)	(536,290.53)	525,541.86	(249,940.57)	(329,134.06)	(1,513,317.49)	(612,525.70)
Total district net assets	\$ 1,653,396.94	\$ 5,818,982.76	\$ 6,222,480.57	\$ 6,525,610.30	\$ 8,931,860.97	\$ 8,275,272.95	\$ 16,467,844.74	\$ 21,274,082.89	\$ 23,094,693.78

Source: CAFR Schedule A-1

BUENA REGIONAL SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
Instruction:									
Regular	\$ 9,047,920.51	\$ 10,353,421.78	\$ 10,483,621.31	\$ 10,582,536.92	\$ 11,452,181.89	\$ 12,302,963.82	\$ 14,323,629.03	\$ 15,813,383.63	\$ 13,969,702.26
Special education	6,185,058.78	6,031,305.05	6,461,038.71	6,769,398.86	8,139,111.46	8,350,310.63	6,275,818.82	6,386,421.71	7,080,013.59
Other special education	737,786.38	883,060.54	850,192.49	985,032.17	1,052,253.37	946,533.94	985,476.28	1,005,463.66	885,832.76
Support Services:									
Tuition	1,209,136.83	1,525,971.60	1,574,713.23	2,455,530.76	1,770,421.55	2,156,078.52	2,508,222.78	2,574,668.39	2,203,874.95
Student & instruction related services	4,924,643.90	4,908,521.11	4,684,088.84	5,325,148.05	5,956,727.59	6,432,241.01	5,909,306.81	5,450,193.12	5,144,806.82
General administrative services	674,980.75	833,478.10	603,663.14	715,578.69	741,732.36	744,318.59	690,037.12	879,011.44	723,981.06
School administrative services	1,418,283.61	1,532,543.71	1,552,863.66	1,557,890.94	1,607,231.89	1,680,229.13	1,818,734.60	1,751,086.55	2,377,134.99
Business administrative services	826,959.49	500,548.32	641,985.72	772,330.71	810,053.63	845,064.34	771,018.62	910,259.65	921,056.12
Plant operations and maintenance	1,701,464.82	2,277,584.57	2,383,805.72	3,089,513.36	2,616,485.52	3,117,096.96	3,396,142.91	5,167,835.86	3,654,165.38
Pupil transportation	1,873,489.95	2,098,518.51	1,957,618.27	2,432,318.09	2,344,054.56	2,767,212.06	2,916,504.81	3,550,975.11	3,409,825.60
Charter Schools	8,294.00	8,445.00	9,223.80	-	-	-	-	-	-
Interest on long-term debt	150,700.00	136,400.00	114,600.00	480,800.00	480,892.08	405,515.00	366,502.50	338,342.50	511,980.00
Unallocated depreciation	359,037.33	-	-	-	-	-	-	-	-
Total governmental activities expenses	29,117,766.43	31,089,798.29	31,327,414.89	35,176,078.55	36,971,145.80	39,747,564.00	39,971,384.28	43,827,641.62	40,862,373.53
Business-type activities:									
Food service	913,995.74	947,162.47	1,053,905.55	1,137,233.04	1,157,259.39	1,247,514.83	1,206,501.94	1,124,135.41	1,092,398.42
Latchkey	80,193.36	94,362.53	82,836.38	96,780.04	96,259.60	108,225.48	132,974.39	133,099.62	100,522.13
Other	7,636.37	8,586.54	10,842.36	13,045.11	19,532.66	15,819.55	14,753.91	18,333.58	17,271.73
Total business-type activities expenses	1,001,825.47	1,050,111.54	1,147,584.29	1,247,058.19	1,273,051.65	1,371,559.86	1,354,230.24	1,275,568.61	1,210,192.28
Total district expenses	\$ 30,119,591.90	\$ 32,139,909.83	\$ 32,474,999.18	\$ 36,423,136.74	\$ 38,244,197.45	\$ 41,119,123.86	\$ 41,325,624.52	\$ 45,103,210.23	\$ 42,072,565.81

BUENA REGIONAL SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Program Revenues									
Governmental activities:									
Charges for services:									
Pupil transportation	\$ 374,538.30	\$ 358,181.79	\$ 352,275.75	\$ 360,714.66	\$ 371,163.16	\$ 419,735.09	\$ 400,580.28	\$ 386,110.85	\$ 351,515.17
Operating grants and contributions	4,659,293.57	4,056,185.15	4,239,126.06	6,944,933.30	8,998,142.69	9,465,774.34	5,722,484.34	3,639,839.60	3,470,288.30
Capital grants and contributions	499,980.12	392,964.00	358,603.03	411,904.57	388,505.00	435,849.17	7,564,751.63	5,878,263.69	371,625.96
Total governmental activities program revenues	\$ 5,533,811.99	\$ 4,807,330.94	\$ 4,950,004.84	\$ 7,717,552.53	\$ 9,757,810.85	\$ 10,321,358.60	\$ 13,687,816.25	\$ 9,904,214.14	\$ 4,193,406.03
Business-type activities:									
Charges for services:									
Food service	430,100.63	457,474.45	457,215.41	430,501.12	475,212.62	449,945.52	481,577.54	453,485.51	433,241.95
Latchkey	82,524.86	93,569.33	114,259.87	121,057.01	102,678.40	120,636.84	111,598.63	108,289.34	102,902.59
Other	10,739.00	7,933.60	9,875.46	14,160.44	19,280.50	17,669.50	13,622.40	16,362.40	19,624.97
Operating grants and contributions	421,098.69	444,359.32	450,601.50	495,569.32	512,773.44	549,354.32	625,808.23	605,025.60	608,735.29
Total business-type activities program revenue	\$ 944,463.18	\$ 1,003,336.90	\$ 1,031,952.24	\$ 1,061,287.89	\$ 1,109,944.96	\$ 1,137,606.18	\$ 1,232,606.80	\$ 1,183,162.85	\$ 1,164,504.80
Total district program revenue	\$ 6,478,275.17	\$ 5,810,667.84	\$ 5,981,957.08	\$ 8,778,840.42	\$ 10,867,755.81	\$ 11,458,964.78	\$ 14,920,423.05	\$ 11,087,376.99	\$ 5,357,913.83
Net (Expense)/Revenue									
Governmental activities	\$ (23,583,954.44)	\$ (26,282,467.35)	\$ (26,377,410.05)	\$ (27,458,526.02)	\$ (27,213,334.95)	\$ (29,426,205.40)	\$ (26,283,578.03)	\$ (33,923,427.48)	\$ (36,668,964.50)
Business-type activities	(57,362.29)	(46,794.64)	(115,632.05)	(185,770.30)	(163,106.69)	(233,953.68)	(121,623.44)	(92,405.76)	(45,687.48)
Total district-wide net expense	\$ (23,641,316.73)	\$ (26,329,261.99)	\$ (26,493,042.10)	\$ (27,644,296.32)	\$ (27,376,441.64)	\$ (29,660,159.08)	\$ (26,405,201.47)	\$ (34,015,833.24)	\$ (36,714,651.98)

BUENA REGIONAL SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Property taxes levied for general purposes, net	\$ 6,628,971.00	\$ 7,707,901.00	\$ 8,433,166.00	\$ 10,756,554.00	\$ 11,204,236.00	\$ 11,558,514.00	\$ 11,035,698.00	\$ 10,703,351.00	\$ 10,807,242.06
Taxes levied for debt service	232,334.00	247,974.99	270,966.00	282,889.00	816,593.00	-	842,359.00	617,703.00	951,454.98
Unrestricted grants and contributions	14,039,057.84	14,550,759.34	14,613,975.49	12,772,456.20	12,801,529.17	13,526,528.85	17,910,288.90	21,480,614.06	20,816,108.08
Tuition	3,548,003.47	3,590,227.79	3,458,013.87	3,704,810.23	4,086,376.97	3,320,619.33	4,475,409.66	5,107,194.12	5,306,690.04
Miscellaneous income	804,816.66	88,898.40	155,233.45	425,988.27	861,666.83	590,273.28	332,199.33	496,210.00	653,515.81
Transfers & Adjustments		4,296,850.00	(96,925.02)	(154,126.78)	(150,000.00)	(59,228.00)	(175,000.00)	(175,000.00)	-
Total governmental activities	25,253,182.97	30,492,611.52	26,894,429.79	27,788,580.92	29,620,601.97	28,936,707.46	34,420,914.89	38,240,072.18	38,535,010.97
Business-type activities:									
Investment earnings	4,426.35	2,236.29	2,110.12	8,845.13	12,110.34	7,615.60	1,858.37	323.65	251.90
Transfers				150,000.00	150,000.00	59,228.00	175,000.00	581,675.56	-
Total business-type activities	4,426.35	2,236.29	2,110.12	158,845.13	162,110.34	66,843.60	176,858.37	581,999.21	251.90
Total district-wide	\$ 25,257,609.32	\$ 30,494,847.81	\$ 26,896,539.91	\$ 27,947,426.05	\$ 29,782,712.31	\$ 29,003,551.06	\$ 34,597,773.26	\$ 38,822,071.39	\$ 38,535,262.87
Changes in Net Assets									
Governmental activities	\$ 1,669,228.53	\$ 4,210,144.17	\$ 517,019.74	\$ 330,054.90	\$ 2,407,267.02	\$ (489,497.94)	\$ 8,137,336.86	\$ 4,316,644.70	\$ 1,866,046.47
Business-type activities	(52,935.94)	(44,588.35)	(113,521.93)	(26,925.17)	(996.35)	(167,110.08)	55,234.93	489,593.45	(45,435.58)
Total district	\$ 1,616,292.59	\$ 4,165,555.82	\$ 403,497.81	\$ 303,129.73	\$ 2,406,270.67	\$ (656,608.02)	\$ 8,192,571.79	\$ 4,806,238.15	\$ 1,820,610.89

Source: CAFR Schedule A-2

BUENA REGIONAL SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund									
Reserved	\$ 494,509.82	\$ 234,969.65	\$ 575,828.95	\$ 816,543.25	\$ 2,135,004.82	\$ 1,564,355.19	\$ 2,635,474.42	\$ 970,042.72	\$ -
Unreserved	1,420,131.21	2,596.75	(219,120.86)	142,728.09	36,722.10	29,636.22	(839,775.50)	(1,085,683.14)	979,010.64
Restricted									194,636.42
Committed									500,000.00
Assigned									(906,138.41)
Unassigned									
Total general fund	\$ 1,914,641.03	\$ 237,566.40	\$ 356,708.09	\$ 959,271.34	\$ 2,171,726.92	\$ 1,593,991.41	\$ 1,795,698.92	\$ (115,640.42)	\$ 767,508.65
All Other Governmental Funds									
Reserved	\$ -	\$ -	\$ 5,501.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 326,464.50	\$ 18,848.00	\$ -
Unreserved, reported in:									
Special revenue fund	(109,908.50)	(105,477.10)	(105,477.10)	(105,477.10)	(105,477.10)	(130,177.10)	(40,602.40)	-	-
Capital projects fund	1,000,287.35	1,745,861.59	462,982.42	9,880,898.32	9,883,863.76	9,762,809.76	5,101,089.97	2,364,172.28	-
Debt service fund	10,641.39	177.62	5,372.80	126,446.68	740,867.86	204,880.95	0.45	-	-
Restricted									4,565,263.61
Committed									1,680,324.97
Assigned									
Unassigned									
Total all other governmental funds	\$ 901,020.24	\$ 1,640,562.11	\$ 368,379.12	\$ 9,901,868.90	\$ 10,519,255.52	\$ 9,837,514.61	\$ 5,386,952.52	\$ 2,383,020.28	\$ 6,245,588.58

Source: CAFR Schedule B-1

BUENA REGIONAL SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Nine Fiscal Years

Exhibit J-4

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues									
Tax Levy	\$ 6,861,305	\$ 7,955,876	\$ 8,704,132	\$ 11,039,443	\$ 12,020,829	\$ 11,558,514	\$ 11,878,057	\$ 11,321,054	\$ 11,758,697
Tuition charges	3,548,003	3,590,228	3,458,014	3,704,810	4,086,377	3,320,619	4,475,410	5,107,194	5,306,690
Transportation fees	374,538	358,182	352,276	360,715	371,163	419,735	400,580	386,111	351,515
Miscellaneous	750,883	99,327	156,591	429,918	863,546	591,139	479,301	377,359	661,923
State sources	17,569,531	17,335,979	17,425,859	17,901,987	19,090,348	20,569,570	28,577,319	25,049,821	21,714,271
Federal sources	1,627,800	1,663,502	1,784,488	2,223,389	3,096,149	2,857,717	2,599,288	5,951,523	2,935,324
Total revenue	30,732,161	31,003,093	31,881,360	35,660,260	39,528,413	39,317,294	48,409,956	48,193,062	42,728,420
Expenditures									
Instruction:									
Regular instruction	7,087,730	7,726,443	7,679,907	7,612,405	7,879,931	8,489,454	10,098,697	12,300,057	10,494,504
Special education instruction	5,035,235	4,715,776	5,026,081	5,085,640	6,083,394	6,228,078	4,625,647	5,001,184	5,318,741
Other special education instruction	642,818	734,515	660,812	756,661	776,742	710,356	765,918	787,375	650,442
Support Services:									
Tuition	1,209,137	1,525,972	1,574,713	2,455,531	1,770,422	2,156,079	2,508,223	2,574,668	2,203,875
Student & instruction related services	4,131,024	3,912,178	3,697,752	4,178,023	4,504,080	4,906,592	4,432,435	4,255,884	3,864,949
General administrative services	605,694	724,910	501,705	596,842	610,640	622,534	573,695	593,623	543,879
School administrative services	1,143,617	1,185,668	1,178,373	1,170,008	1,136,216	1,194,500	1,289,571	1,368,876	1,785,783
Business administrative services	509,856	406,870	496,060	605,839	603,030	634,546	590,601	697,878	691,928
Plant operations and maintenance	1,771,390	1,918,906	1,944,001	2,231,329	2,347,606	2,435,200	2,589,682	2,801,551	2,837,395
Pupil transportation	1,706,487	1,919,517	1,758,895	2,225,123	2,126,603	2,539,674	2,693,665	2,780,755	2,561,574
Unallocated employee benefits	4,796,186	5,735,329	6,166,305	6,799,568	8,195,977	8,989,763	8,810,783	8,582,654	8,598,606
Charter Schools	8,294	8,445	9,224	-	-	-	-	-	-
Capital outlay	2,168,279	834,197	1,682,648	770,213	313,037	318,403	12,049,666	10,376,074	1,662,570
Debt service:									
Principal	450,000	450,000	500,000	550,000	720,000	875,000	950,000	585,000	620,000
Interest and other charges	161,700	141,900	121,000	97,900	480,892	417,365	379,003	353,978	331,455
Total Expenditures	31,427,446	31,940,625	32,997,476	35,135,080	37,548,571	40,517,542	52,357,586	53,059,558	42,165,703
Excess (Deficiency) of revenues over (under) expenditures	(695,285)	(937,532)	(1,116,116)	525,180	1,979,842	(1,200,248)	(3,947,630)	(4,866,496)	562,717
Other Financing Sources (Uses)									
Bond & Lease Proceeds	54,834	-	-	9,765,000	-	-	-	-	4,183,000
Transfers	-	-	-	(150,000)	(150,000)	(59,228)	(301,224)	(48,776)	-
Adjustments	-	(1)	(36,925)	(4,127)	-	-	-	-	-
Total other financing sources (uses)	54,834	(1)	(36,925)	9,610,873	(150,000)	(59,228)	(301,224)	(48,776)	4,183,000
Net change in fund balances	\$ (640,451)	\$ (937,533)	\$ (1,153,041)	\$ 10,136,053	\$ 1,829,842	\$ (1,259,476)	\$ (4,248,855)	\$ (4,915,271)	\$ 4,745,717
Debt service as a percentage of noncapital expenditures	2.09%	1.90%	1.98%	1.89%	3.23%	3.21%	3.30%	2.20%	2.35%

Source: CAFR Schedule B-2

BUENA REGIONAL SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
 Unaudited

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Transportation</u>	<u>Miscellaneous</u>	<u>Totals</u>
2002	\$ 30,350.95	\$ 3,528,018.41	\$ 356,835.64	\$ 259,216.88	\$ 4,174,421.88
2003	21,593.07	3,548,003.47	374,538.30	725,555.63	4,669,690.47
2004	21,480.65	3,590,227.79	358,181.79	74,418.51	4,044,308.74
2005	5,169.53	3,458,013.87	352,275.75	150,063.92	3,965,523.07
2006	8,767.06	3,704,810.23	360,714.66	296,157.33	4,370,449.28
2007	11,969.25	4,086,376.97	371,163.16	230,103.32	4,699,612.70
2008	5,306.54	3,320,619.33	419,735.09	220,190.65	3,965,851.61
2009	2,340.96	4,475,409.66	400,580.28	329,818.37	5,208,149.27
2010	1,000.38	5,107,194.12	386,110.85	376,359.01	5,870,664.36
2011	1,364.28	5,306,690.04	351,515.17	642,509.53	6,302,079.02

Source: District Records

BUENA REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2002	\$ 3,675,200	\$ 99,263,700	\$ 9,000,800	\$ 1,444,900	\$ 17,557,500	\$ 6,562,500	\$ 4,243,000	\$ 141,747,600	1,682,110	\$ 143,429,710	1.691	\$ 163,132,065
2003	3,458,400	101,169,900	9,176,600	1,470,700	17,496,300	5,793,500	4,300,400	142,865,800	1,713,201	144,579,001	1.798	167,552,861
2004	3,273,500	103,246,300	8,860,700	1,501,900	17,314,800	5,275,000	4,300,400	143,772,600	1,589,409	145,362,009	1.963	181,667,600
2005	3,307,600	104,157,000	9,550,400	1,497,600	17,422,200	5,075,000	4,300,400	145,310,200	1,456,072	146,766,272	2.243	195,954,348
2006	3,339,600	106,042,900	9,741,600	1,494,500	17,895,000	4,975,000	4,300,400	147,789,000	1,180,112	148,969,112	2.554	227,147,405
2007	9,554,900	219,281,700	19,632,200	1,718,200	29,807,300	5,409,800	8,243,600	293,647,700	1,807,059	295,454,759	1.350	279,026,711
2008	10,142,300	221,428,500	18,647,700	1,721,000	31,167,900	5,409,800	8,243,600	296,760,800	1,843,952	298,604,752	1.350	304,734,820
2009	10,001,700	227,942,700	18,302,500	1,675,500	29,791,800	5,409,800	8,885,900	302,009,900	1,699,483	303,709,383	1.256	322,966,877
2010	9,751,500	230,358,000	18,365,000	1,688,000	29,873,600	3,789,800	8,885,900	302,711,800	1,751,034	304,462,834	1.204	310,451,902
2011				Detail Not Available				304,074,000	1,639,227	305,713,227	1.244	299,637,795

Buena Vista Township

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2002	\$ 19,263,300	\$ 188,852,700	\$ 10,335,300	\$ 2,434,700	\$ 19,682,400	\$ 6,287,000	-	\$ 246,855,400	1,401,949	\$ 248,257,349	1.825	\$ 295,254,122
2003	18,426,700	193,825,300	11,091,000	2,385,000	20,230,700	6,411,100	-	252,369,800	1,329,648	253,699,448	1.896	312,851,503
2004	18,106,200	197,493,000	11,892,800	2,316,400	20,400,400	6,411,100	-	256,619,900	1,133,283	257,753,183	2.125	360,393,212
2005	17,808,100	202,693,900	11,207,900	2,292,600	21,267,400	6,281,100	-	261,551,000	1,026,992	262,577,992	2.506	398,079,019
2006	17,265,500	209,643,900	11,138,100	2,218,600	21,301,700	6,281,100	-	267,848,900	827,434	268,676,334	2.876	465,811,840
2007	17,043,300	214,573,600	11,423,200	2,149,700	22,353,700	6,281,100	-	273,824,600	774,034	274,598,634	2.841	527,889,358
2008	16,816,600	217,914,000	11,948,600	2,178,700	21,806,800	6,281,100	-	276,945,800	744,300	277,690,100	2.768	690,236,083
2009	16,562,400	221,501,700	12,245,100	2,187,000	21,795,900	6,281,000	-	280,573,100	701,206	281,274,306	2.767	679,034,253
2010	35,300,200	524,315,100	28,290,700	2,470,100	56,224,900	13,087,400	439,800	660,128,200	1,724,892	661,853,092	1.190	668,850,922
2011				Detail Not Available				654,676,600	1,386,400	656,063,000	1.249	634,129,406

r = Reassessed

Source: County Abstract of Rates & Municipal Tax Assessor

BUENA REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Year Ended Dec. 31,	BUENA REGIONAL SCHOOL DISTRICT				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Library	County Health	County Open Space	Municipal Local Purpose	
2002	1.630	0.061	1.691	0.480	0.047	0.029	0.023	0.853	3.123
2003	1.735	0.063	1.798	0.470	0.048	0.029	0.023	0.881	3.249
2004	1.902	0.061	1.963	0.473	0.050	0.027	0.025	0.887	3.425
2005	2.180	0.063	2.243	0.448	0.050	0.024	0.027	0.981	3.773
2006	2.432	0.122	2.554	0.450	0.051	0.024	0.031	1.019	4.129
2007 r	1.305	0.045	1.350	0.230	0.029	0.012	0.019	0.627	2.267
2008	1.302	0.048	1.350	0.230	0.030	0.012	0.020	0.687	2.329
2009	1.178	0.079	1.257	0.256	0.030	0.012	0.020	0.724	2.299
2010	1.123	0.081	1.204	0.273	0.030	0.018	0.005	0.805	2.335
2011	1.144	0.100	1.244	0.302	0.030	0.019	0.005	0.805	2.405

Year Ended Dec. 31,	BUENA REGIONAL SCHOOL DISTRICT				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Library	County Health	County Open Space	Municipal Local Purpose	
2002	1.755	0.070	1.825	0.502	0.049	0.031	0.024	0.400	2.831
2003	1.824	0.072	1.896	0.499	0.051	0.031	0.025	0.440	2.942
2004	2.056	0.069	2.125	0.529	0.056	0.030	0.028	0.470	3.238
2005	2.435	0.071	2.506	0.508	0.056	0.028	0.030	0.498	3.626
2006	2.739	0.137	2.876	0.511	0.058	0.027	0.035	0.547	4.054
2007	2.741	0.100	2.841	0.470	0.058	0.024	0.038	0.595	4.026
2008	2.668	0.100	2.768	0.477	0.062	0.025	0.043	0.720	4.095
2009	2.594	0.174	2.768	0.605	0.062	0.025	0.043	0.770	4.273
2010 r	1.110	0.080	1.190	0.271	0.029	0.018	0.005	0.353	1.866
2011	1.150	0.099	1.249	0.295	0.030	0.019	0.004	0.375	1.972

r = Reassessed

Source: District Records and Municipal Tax Collector

BUENA REGIONAL SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago
Buena Borough

Exhibit J-8

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Fibertech Group	\$ 4,200,000	1	1.37%	\$ 5,484,500	1	3.82%
Buena Terrace LLP	2,440,300	2	0.80%	1,082,200	5	0.75%
Verizon	1,807,059	3	0.59%	3,155,420	2	2.20%
Wheat Manor	1,720,000	4	0.56%	1,238,300	3	0.86%
Buena Villa Associates	1,310,800	5	0.43%	722,900	8	0.50%
Individual Taxpayer	1,239,000	6	0.41%			
Opportunity Marketing Group, LLC	1,086,900	7	0.36%			
Buena Terrace IV LP	1,068,800	8	0.35%			
Raj Enterprises	1,029,800	9	0.34%			
Pedroni Realty Co.	1,010,200	10	0.33%	780,200	7	0.54%
Landisville Produce Corp				608,800	9	0.42%
Immunogenetics				1,169,000	4	0.82%
Buena Athletic Club				833,700	6	0.58%
Midway Tavern				592,900	10	0.41%
Totals	\$ 16,912,859		5.53%	\$ 15,667,920		10.92%
	District Assessed Value		\$ 305,713,227	\$ 143,429,710		

Source: District CAFR & Municipal Tax Assessor

BUENA REGIONAL SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago
Buena Vista Township

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Buena Corporation	\$ 2,874,200.00	1	0.44%	\$ -		
Dougherty Bros. Holding Co.	1,626,100.00	2	0.25%	2,554,200	2	1.03%
Susquehanna Bank	1,424,800.00	3	0.22%			
SP Industries	975,000.00	4	0.15%			
Merighi's Savoy Inn	922,500.00	5	0.14%	922,500	7	0.37%
High Concrete Innovations LLC	850,600.00	6	0.13%			
D'Andrea Produce Inc.	816,200.00	7	0.12%			
345 Lincoln LLC	807,000.00	8	0.12%			
IGI Inc	790,000.00	9	0.12%			
Verizon	774,000.00	10	0.12%			
Buena Vista Golf Club				3,375,100	1	1.36%
SPI Partners (Wilmad Glass)				1,186,000	4	0.48%
Pajic & Caselli (Buena Camp World)				1,126,100	5	0.45%
Uniman Company				1,061,000	6	0.43%
Individual Taxpayer #2				873,500	9	0.35%
United Precasting Corp				850,600	10	0.34%
Totals	\$ 11,860,400		1.81%	\$ 11,949,000		4.81%
	District Assessed Value		\$ 656,063,000			\$ 248,257,349

Source: District CAFR & Municipal Tax Assessor

**BUENA REGIONAL SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Buena Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 2,256,969.96	\$ 1,985,272.96	88%	271,697.00
2003	2,424,957.83	2,182,462.05	90%	242,495.78
2004	2,598,826.67	2,598,826.67	100%	-
2005	2,853,627.01	2,568,264.31	90%	-
2006	3,292,538.92	2,683,442.20	82%	609,096.72
2007	3,952,890.78	3,623,483.23	92%	329,407.55
2008	4,023,615.48	3,688,314.18	92%	335,301.30
2009	4,038,689.61	3,702,132.15	92%	312,689.72
2010	3,592,026.89	2,993,354.34	83%	598,672.55
2011	3,741,254.16	3,113,711.82	83%	627,542.34

Buena Vista Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	4,261,381.58	3,743,242.17	88%	518,139.41
2003	4,530,137.63	4,077,123.87	90%	453,013.76
2004	4,809,763.83	4,328,787.45	90%	480,976.38
2005	5,476,376.99	4,928,739.29	90%	547,637.70
2006	6,579,248.53	5,963,843.39	91%	615,405.14
2007	8,067,938.22	7,395,610.05	92%	672,328.17
2008	7,534,898.52	6,906,990.26	92%	627,908.26
2009	7,839,367.39	7,186,086.80	92%	606,951.73
2010	7,729,027.11	7,084,941.83	92%	644,085.28
2011	8,017,442.94	6,681,202.42	83%	1,336,240.52

Source: District records including the Certificate and Report of School Taxes (A4F form)

BUENA REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income	Per Capita Personal Income *
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2002	\$ 3,900,000	\$ -	\$ 1,403,369	\$ -	\$ -	\$ 5,303,369	0.62%	\$ 32,851	
2003	3,450,000	-	1,079,786	-	-	4,529,786	0.74%	33,623	
2004	3,000,000	-	737,668	-	-	3,737,668	0.93%	34,671	
2005	2,500,000	-	373,072	-	-	2,873,072	1.25%	35,826	
2006	11,715,000	-	514,229	-	-	12,229,229	0.30%	37,194	
2007	10,995,000	-	357,947	-	-	11,352,947	0.34%	38,553	
2008	10,120,000	-	274,283	-	-	10,394,283	0.38%	39,835	
2009	9,170,000	-	289,265	-	-	9,459,265	0.42%	39,835	
2010	8,585,000	-	176,617	-	-	8,761,617	0.45%	39,835	
2011	12,148,000	-	53,800	-	-	12,201,800	0.33%	39,835	

* Information presented for Atlantic County, not just the Borough of Buena and the Township of Buena Vista

Source: District CAFR Schedules I-1, I-2

BUENA REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Exhibit J-11

Fiscal Year Ended June 30,	Governmental Activities			** Percentage of Actual Taxable Value of Property	* Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2002	\$ 3,900,000	-	\$ 3,900,000	1.00%	32,851
2003	3,450,000	-	3,450,000	0.87%	33,623
2004	3,000,000	-	3,000,000	0.74%	34,671
2005	2,500,000	-	2,500,000	0.61%	35,826
2006	11,715,000	-	11,715,000	2.81%	37,194
2007	10,995,000	-	10,995,000	1.93%	38,553
2008	10,120,000	-	10,120,000	1.76%	39,835
2009	9,170,000	-	9,170,000	1.57%	39,835
2010	8,585,000	-	8,585,000	1.30%	39,835
2011	12,148,000	-	12,148,000	1.85%	39,835

* Information presented for Atlantic County, not just the Borough of Buena and the Township of Buena Vista

** This Information is Combined for both members of the Regional District, Buena Borough & Buena Vista Township.

BUENA REGIONAL SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2010

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Buena Borough	\$ 979,746.00	100.00%	\$ 979,746.00
Buena Vista Township	3,030,931.00	100.00%	3,030,931.00
Other Debt			
County of Atlantic		1.78%	2,445,776.61
Subtotal, Overlapping Debt			6,456,453.61
School District Direct Debt			8,585,000.00
Total Direct and Overlapping Debt			<u>\$ 15,041,453.61</u>

BUENA REGIONAL SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Years

Exhibit J-13

Equalized valuation basis	
2010	\$ 930,229,137
2009	964,362,728
2008	992,023,781
	<u>\$ 2,886,615,646</u>

Average equalized valuation of taxable property	\$ 962,205,215
Debt limit (4% of average)	38,488,209
Net bonded school debt	12,148,000
Legal debt margin	<u>\$ 26,340,209</u>

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 17,549,608	\$ 18,124,043	\$ 19,353,481	\$ 21,113,727	\$ 23,733,741	\$ 27,180,555	\$ 27,180,555	\$ 37,839,201	\$ 37,839,201	\$ 38,488,209
Total net debt applicable to limit	3,900,000	3,450,000	3,000,000	2,500,000	11,715,000	11,115,000	10,120,000	9,170,000	8,585,000	12,148,000
Legal debt margin	<u>\$ 13,649,608</u>	<u>\$ 14,674,043</u>	<u>\$ 16,353,481</u>	<u>\$ 18,613,727</u>	<u>\$ 12,018,741</u>	<u>\$ 16,065,555</u>	<u>\$ 17,060,555</u>	<u>\$ 28,669,201</u>	<u>\$ 29,254,201</u>	<u>\$ 26,340,209</u>

Total net debt applicable to the limit as a percentage of debt limit	22.22%	19.04%	15.50%	11.84%	49.36%	40.89%	37.23%	24.23%	22.69%	31.56%
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Source: District Records CAFR

**BUENA REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years**

Exhibit J-14

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	* Per Capita Personal Income	Buena Borough Unemployment Rate	Buena Vista Township Unemployment Rate
2002	11,235	369,081	32,851	12.5%	8.0%
2003	11,254	378,393	33,623	13.1%	8.4%
2004	11,252	390,118	34,671	11.5%	7.4%
2005	11,301	404,870	35,826	6.2%	4.2%
2006	11,263	418,916	37,194	6.4%	4.6%
2007	11,194	431,562	38,553	6.4%	4.6%
2008	11,078	442,267	39,923	7.9%	5.7%
2009	11,034	432,047	39,156	14.0%	10.3%
2010	11,084	Not Available	Not Available	14.3%	10.5%
2011	Not Available	Not Available	Not Available	Not Available	Not Available

* Information presented for Atlantic County, not just the Borough of Buena and the Township of Buena Vista

**BUENA REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago**

Exhibit J-15 (a)

Buena Vista Township

Employer	2011			2002		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Buena Regional Board of Education	380		N/A	350		N/A
COMAR	270		N/A	210		N/A
Wilmad Glass	110		N/A	85		N/A
Palmieri Electric	100		N/A			N/A
St. Augustine's Preparatory School	65		N/A	58		N/A
United Precast	60		N/A			N/A
Buena Vista Township	40		N/A	38		N/A
Buena Vista County Club	35		N/A	35		N/A
Tuckahoe Enterprises	30		N/A	25		N/A
Susquehanna Patriot Bank	25		N/A	110		N/A
Totals	1,115		N/A	911		N/A

**BUENA REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago**

Exhibit J-15 (b)

Buena Borough

Employer	2011			2002		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Buena Regional Board of Education	399		N/A	350		N/A
Fibertech Group	100		N/A	85		N/A
Pedroni Realty Group	50		N/A	45		N/A
Buena Borough	40		N/A	43		N/A
Medio Construction	40		N/A	42		N/A
Battelini Transportation Inc.	25		N/A	20		N/A
Landisville Produce Coop	10		N/A	8		N/A
Martin's Custom Catering	10		N/A			N/A
Susquehanna Patriot Bank	8		N/A	15		N/A
Totals	682		N/A	608		N/A

BUENA REGIONAL SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

<u>Function/Program</u>	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction:										
Regular instruction	180	181	184	181	203	198	203	193	198	174
Special education instruction	18	24	24	24	44	35	39	36	37	42
Support Services:										
Student & instruction related services	36	38	38	37	43	40	41	42	41	47
General administrative services	5	5	5	4	4	4	4	4	4	4
School administrative services	19	19	20	20	21	21	26	29	28	28
Business administrative services	8	8	8	9	8	8	8	8	8	8
Plant operations and maintenance	28	28	28	30	34	29	34	34	34	39
Pupil transportation	20	20	20	14	17	11	15	14	14	1
Food Service	37	37	37	37	37	37	37	37	35	37
Total	351	360	364	356	411	383	407	397	399	380

Source: District Personnel Records

BUENA REGIONAL SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADE)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2002	2,430	28,167,686	11,592	-2.91%	207	1:14	1:11	1:15	2,537	2,418	1.64%	95.31%
2003	2,527	30,387,612	12,025	3.74%	207	1:14	1:11	1:15	2,531	2,354	-0.24%	93.01%
2004	2,527	31,892,716	12,621	4.95%	210	1:13	1:13	1:13	2,534	2,371	0.12%	93.57%
2005	2,530	31,762,396	12,554	-0.53%	210	1:13	1:13	1:13	2,650	2,490	4.58%	93.96%
2006	2,591	33,716,967	13,013	3.65%	210	1:13	1:13	1:13	2,665	2,442	0.57%	91.63%
2007	2,647	36,034,642	13,613	4.61%	233	1:13	1:13	1:13	2,665	2,442	0.00%	91.63%
2008	2,603	38,906,774	14,947	9.80%	242	1:12	1:10	1:11	2,534	2,327	-4.92%	91.83%
2009	2,596	38,978,918	15,015	0.46%	229	1:11	1:09	1:12	2,545	2,370	0.43%	93.12%
2010	2,561	41,744,506	16,300	8.56%	229	1:11	1:09	1:12	2,486	2,272	-2.32%	91.39%
2011	2,426	39,551,677	16,303	0.02%	216	1:12	1:10	1:12	2,426	2,279	-2.41%	93.94%

Source: District records, ASSA and Schedules J-12, J-14

BUENA REGIONAL SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
District Buildings										
Elementary										
Collings Lakes Elementary School										
Square Feet	32,766	32,766	32,766	32,766	32,766	32,766	32,766	32,766	32,766	32,766
Capacity (students)	302	302	302	302	302	302	302	302	302	302
Enrollment	280	252	243	254	263	273	275	263	235	253
John C. Milanesi Elementary School										
Square Feet	39,814	39,814	39,814	39,814	39,814	39,814	39,814	39,814	39,814	39,814
Capacity (students)	470	470	470	470	470	470	470	470	470	470
Enrollment	407	445	424	463	474	462	465	484	466	491
William B. Donini Elementary School										
Square Feet	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459	17,459
Capacity (students)	215	215	215	215	215	215	215	215	215	215
Enrollment	178	172	184	159	164	166	177	177	190	133
Edgerton Memorial Elementary School										
Square Feet	22,042	22,042	22,042	22,042	22,042	22,042	22,042	22,042	22,042	22,042
Capacity (students)	315	315	315	315	315	315	315	315	315	315
Enrollment	204	189	204	214	204	204	205	213	185	195
Middle School										
Dr. J.P. Cleary Middle School (Closed December 31, 2009)										
Square Feet	63,800	63,800	68,735	68,735	68,735	68,735	68,735	68,735	68,735	68,735
Capacity (students)	580	580	654	654	654	654	654	654	654	654
Enrollment	560	555	564	569	536	549	553	518	-	-
Buena Regional Middle School (Opened January 1, 2010)										
Square Feet									92,335	92,335
Capacity (students)									565	585
Enrollment									536	542
High School										
Buena Regional High School										
Square Feet	166,090	166,090	166,090	166,090	166,090	166,090	166,090	166,090	166,090	166,090
Capacity (students)	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176
Enrollment	923	885	882	990	974	993	928	857	865	871
Other										
Administration										
Square Feet										
Total Enrollment	2,552	2,498	2,501	2,849	2,815	2,847	2,603	2,512	2,477	2,486

Number of Schools at June 30, 2011
 Elementary - 4
 Middle - 1
 High School - 1
 Other - 1

Source: District Records, ASSA

BUENA REGIONAL SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Buena Regional High School	N/A	\$ 139,752	\$ 189,298	\$ 161,347	\$ 157,593	\$ 223,565	\$ 216,195	\$ 260,668	\$ 265,969	\$ 242,272	\$ 207,596
Cleary Middle School	N/A	75,041	86,720	72,144	74,155	85,391	60,318	106,772	97,596	62,300	15,936
Collings Lakes Elementary School	N/A	33,792	54,921	35,140	28,954	38,196	34,056	63,719	60,249	36,456	28,882
Donini Elementary School	N/A	18,929	22,731	29,469	19,553	20,423	17,429	18,411	20,315	20,110	17,381
John C. Milanesi Elementary School	N/A	44,909	62,049	52,001	40,108	93,836	49,502	48,946	54,981	71,628	24,339
Edgerton Elementary School	N/A	15,044	36,152	22,631	28,290	25,162	29,352	21,007	23,780	25,882	16,683
Buena Regional Middle School	N/A										
Administration Building	N/A	7,195	10,337	13,827	12,058	15,278	11,701	16,565	7,963	53,748	36,567
Total School Facilities	N/A	334,662	462,208	386,559	360,711	501,851	418,553	536,088	530,853	522,435	419,646
Other Facilities	N/A	-	-	-	-	-	-	-	-	-	-
Grand Total	N/A	\$ 334,662	\$ 462,208	\$ 386,559	\$ 360,711	\$ 501,851	\$ 418,553	\$ 536,088	\$ 530,853	\$ 522,435	\$ 419,646

Source: District Records

BUENA REGIONAL SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Exhibit J-20

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Deductible</u>
School Package Policy - E.R.I.C.	Property - Real and Personal Property	\$ 10,157,088,555	\$ 1,000.00
	Earthquake	5,000,000	
	Flood	50,000,000	
	Extra Expense	5,000,000	
	Arson Reward	10,000	
	Blanket Faithful Performance	250,000	1,000.00
	Money & Securities	200,000	1,000.00
	Depositor's Forgery	250,000	
	Auto Liability	1,000,000	1,000.00
	Workers' Compensation	Statutory	

Source: District Records

Single Audit Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538

PHONE 609.399.6333 • FAX 609.399.3710

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

Honorable President and
Members of the Board of Education
Buena Regional School District
County of Atlantic
New Jersey

We have audited the basic financial statements of the Board of Education of the Buena Regional School District, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 30, 2011. 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 audit requirements presented 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 Buena Regional School District Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Buena Regional School District Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Buena Regional School District Board of Education'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 would not necessarily 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 be material weaknesses, as defined above.

Compliance and Other Matters

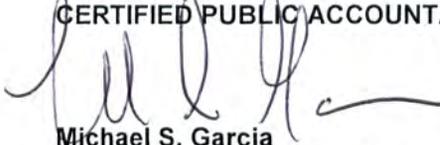
As part of obtaining reasonable assurance about whether the Buena Regional Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have 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 or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

This report is intended solely for the information of management, the Buena Regional Board of Education, the New Jersey State Department of Education (the cognizant audit agency), and other federal and state awarding agencies and pass-through entities, and is not intended and should not be used by anyone other than these specified parties.

Ford, Scott, & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS



Michael S. Garcia

Certified Public Accountant

Licensed Public School Accountant

No. 2080

November 30, 2011



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538

PHONE 609.399.6333 • FAX 609.399.3710

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

The Honorable President and
Members of Board of Education
Buena Regional School District
County of Atlantic
New Jersey

Compliance

We have audited the compliance of the Board of Education of the Buena Regional School District in the County of Atlantic, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2011. Buena Regional Board of Education'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 Buena Regional Board of Education's management. Our responsibility is to express an opinion on Buena Regional Board of Education'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; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that 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 and state program occurred. An audit includes examining, on a test basis, evidence about Buena Regional Board of Education'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 of Buena Regional Board of Education's compliance with those requirements.

In our opinion Buena Regional Board of Education School District, in the County of Atlantic, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Buena Regional Board of Education 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 Buena Regional Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Buena Regional Board of Education's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect 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, 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control 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 for the information of the management of the Buena Regional Board of Education, the New Jersey State Department of Education (cognizant audit agency), other state and federal awarding agencies and pass-through entities, and is not intended and should not be used by anyone other than these parties.

Ford, Scott, & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS



Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2011

BUENA REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2010	Carryover/(Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable) at June 30, 2011	Deferred Revenue	Due to Grantor at June 30, 2011
U.S. Department of Education														
General Fund:														
ARRA - ESF	84.394	N/A	\$ 2,992,037.00	9/1/2009	8/31/2010	\$ (332,448.00)	\$	\$ 332,448.00	\$	\$	\$	\$	\$	\$
ARRA - GSF	84.397	N/A	115,826.00	9/1/2009	8/31/2010	(12,870.00)		12,870.00						
Medical Assistance Program (SEM)	93.778	N/A	72,244	9/1/2010	8/31/2011	(345,318.00)		72,243.98	(72,243.98)					
Total Special Revenue Fund								417,561.98	(72,243.98)					
U.S. Department of Education														
Passed-Through State Department														
Education:														
Special Revenue Fund:														
Title I	84.010	NCLB	767,438	9/1/2008	8/31/2009	17,000.31	(17,000.31)	526,072.00	(635,915.43)			(315,779.00)	205,935.57	
Title I	84.010	NCLB	841,851	9/1/2010	8/31/2011	19,921.30	17,000.31	224,160.00	(261,081.61)			(100,000.00)	1,913.07	
NCLB Rewards Program	84.010	NCLB	100,000	9/1/2010	8/31/2011			59,843.00	(98,066.93)				49,213.00	
ARRA - Title I	84.388	NCLB	370,802	9/1/2009	8/31/2010	16,149.31		144,050.00	(163,927.91)			(12,867.00)	9,138.40	
ARRA - IDEA	84.391	FT	826,832	9/1/2009	8/31/2010	(66,223.03)		144,050.00	(453,839.93)			(524,127.24)	147,025.28	
ARRA - IDEA Preschool	84.392	FT	29,693	9/1/2009	8/31/2010	(6,679.67)		11,138.00	(6,736.87)			(15,094.00)	12,815.46	
I.D.E.A. Part B, Basic Regular	84.027	FT	748,994	9/1/2010	8/31/2011	(164,104.49)	13,939.14	558,755.33	(649,173.70)			(190,239.04)	113,759.81	
I.D.E.A. Part B, Basic Regular	84.027	FT	778,920	9/1/2009	8/31/2010	84,450.30	(13,939.14)	187,555.67					9,512.04	
I.D.E.A. Part B, Preschool	84.027	FT	737,730	9/1/2007	8/31/2008	5,168.91							84,450.30	
I.D.E.A. Part B, Preschool	84.027	FT	22,551	9/1/2010	8/31/2011	3,328.17		1,360.00	(11,512.00)			(21,079.63)	5,168.91	
I.D.E.A. Part B, Preschool	84.027	FT	26,533	9/1/2010	8/31/2011	404.17						(4,093.00)	14,257.00	
I.D.E.A. Part B, Preschool	84.027	FT	33,525	9/1/2009	8/31/2010	8,852.32							1,168.00	
I.D.E.A. Part B, Preschool	84.027	FT	22,445	9/1/2006	8/31/2007	3,682.52							8,852.32	
I.D.E.A. Part B, Preschool	84.027	FT	43,248	9/1/2005	8/31/2006	50,020.28							3,682.52	
Class Size Reduction	84.027	FT	150,000	9/1/2003	8/31/2004	38.86							50,020.28	
Perkins	84.048	N/A	66,504	9/1/2007	8/31/2008		(38.86)	57,023.00	(58,315.27)				0.73	
Perkins	84.048	N/A	58,277	9/1/2010	8/31/2011		38.86	120,354.00	(145,742.82)			(1,254.14)	19,242.18	
Title II	84.367A	N/A	164,985	9/1/2010	8/31/2011	1,715.08		26,995.00	(30,852.08)			(44,631.00)	89.00	
Title II	84.367B	N/A	162,128	9/1/2009	8/31/2010	(104,018.12)	(114,656.94)	134,500.00				(84,075.06)	157,009.92	
Title IIC - American History	84.215	N/A	166,666	9/1/2008	8/31/2010		114,656.94					(166,666.00)		
Title IID	84.318	N/A	8,271	9/1/2009	8/31/2010	(1,645.00)		2,096.00	(124,313.02)					
Title IID	84.318	N/A	2,226	9/1/2010	8/31/2011			2,198.00	(391.00)				1,522.00	
Title III	84.365	N/A	23,216	9/1/2010	8/31/2011		4,982.33		(704.00)			(28.00)		
Title III	84.365	N/A	12,112	9/1/2009	8/31/2010	(1,317.10)	(3,082.90)	4,400.00	(7,417.54)			(18,233.30)	15,798.09	
Title III	84.365	N/A	1,899	9/1/2009	8/31/2010	1,899.43	(1,899.43)							
Title IV	84.186	N/A	22,301	9/1/2006	8/31/2007	1,600.00							1,600.00	
Title IV	84.186	N/A	15,041	9/1/2009	8/31/2010	(7,261.00)		7,261.00						
After School Learning Centers - 21st Century	84.287C	N/A	708,000	9/1/2004	8/31/2007	15,307.31								
After School Learning Centers - 21st Century	84.287C	N/A	535,000	9/1/2007	8/31/2008	6,883.01								
After School Learning Centers - 21st Century	84.287C	N/A	530,000	9/1/2008	8/31/2009	24,997.00								
ARRA - Talent 21	84.386	N/A	657,877	9/1/2009	8/31/2011	(382,307.62)		475,028.38	(161,693.27)			(182,848.62)	113,876.11	24,997.00
Even Start	84.213C	N/A	196,415	9/1/2008	8/31/2010	0.54							0.54	
Even Start	84.213C	N/A	250,000	9/1/2006	8/31/2007	31.98								
Even Start	84.213C	N/A	224,945	9/1/2007	8/31/2008	77.41								31.98
Total Special Revenue Fund						(475,355.99)		2,685,790.38	(2,820,333.36)			(1,663,246.23)	1,048,318.26	25,028.98
U.S. Department of Agriculture														
Passed-through State Department														
Enterprise Fund:														
National School Lunch Program	10.555	N/A	446,649	7/1/2010	6/30/2011			446,648.84	(446,648.84)					
National School Lunch Program	10.555	N/A	435,782	7/1/2009	6/30/2010	(40,556.44)		40,556.44						
National School Breakfast Program	10.553	N/A	84,098	7/1/2010	6/30/2011			84,097.54	(84,097.54)					
National School Breakfast Program	10.553	N/A	90,707	7/1/2009	6/30/2010	(9,831.24)		9,831.24						
National School Snack Program	10.555	N/A	6,249	7/1/2010	6/30/2011			6,248.56	(6,248.56)					
National School Snack Program	10.555	N/A	11,429	7/1/2009	6/30/2010	(723.72)		723.72						
Special Milk Program	10.556	N/A	1,854	7/1/2010	6/30/2011			1,854.26	(1,854.26)					
Special Milk Program	10.556	N/A	1,092	7/1/2009	6/30/2010	(97.55)		97.55						
Food Distribution Program	10.550	N/A	58,423	7/1/2010	6/30/2011			58,423.00	(58,423.00)					
Total Enterprise Fund						(51,208.95)		648,481.15	(597,272.20)				77.41	
Total Federal Financial Awards						(871,862.94)		3,751,833.51	(3,489,849.56)			(1,663,246.23)	1,048,318.26	25,028.98

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

BUENA REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2010		Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years Balances	Balance at June 30, 2011		MEMO	
				Deferred Revenues (Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education												
General Fund												
Equalization Aid	495-034-5120-078	\$ 16,903,376	7/1/2010	6/30/2011	\$ -	\$ 15,366,336.30	(16,903,376.00)	\$ -	\$ -	(1,537,039.70)	\$ 16,903,376.00	
Categorical Special Education Aid	495-034-5120-089	1,068,033	7/1/2010	6/30/2011	\$ -	961,229.70	(1,068,033.00)	\$ -	\$ -	(106,803.30)	1,068,033.00	
Additional Non Public Transportation Aid	495-034-5120-014	20,525	7/1/2010	6/30/2011	(10,614.00)	10,614.00	(20,525.34)			(20,525.34)	20,525.34	
Additional Non Public Transportation Aid	495-034-5120-014	10,614	7/1/2009	6/30/2010							10,614.00	
Extraordinary Aid	495-034-5120-044	198,168	7/1/2010	6/30/2011	(161,221.00)	161,221.00	(198,168.00)			(198,168.00)	198,168.00	
Extraordinary Aid	495-034-5120-044	161,221	7/1/2009	6/30/2010							161,221.00	
Reimbursed TPAF Social Security Contributions	495-034-5095-002	1,266,533	7/1/2010	6/30/2011	(59,784.92)	1,209,176.34	(1,266,532.76)			(57,356.42)	1,266,532.76	
Reimbursed TPAF Social Security Contributions	495-034-5095-002	1,361,985	7/1/2009	6/30/2010		59,784.92					1,361,984.53	
Total General Fund					(231,619.92)	17,768,362.26	(19,456,635.10)			(276,049.76)	20,990,454.63	
Special Education Fund												
Preschool Education Aid	495-034-5120-086	419,601	7/1/2010	6/30/2011	56,174.65	419,601.00	(412,717.73)		63,057.92		412,717.73	
N.J. Nonpublic Aid	100-034-5120-070	74,789	7/1/2010	6/30/2011		74,489.00	(74,488.70)			0.30	74,488.70	
Traveling	100-034-5120-064	62,865	7/1/2010	6/30/2011		62,865.00	(62,206.35)		658.65		62,206.35	
Textbook Aid	100-034-5120-064	64,505	7/1/2009	6/30/2010	1,595.43			(1,595.43)			63,309.57	
Auxiliary Services												
Compensatory Education	100-034-5120-067	59,363	7/1/2010	6/30/2010	16,717.53	59,363.00	(56,182.83)			3,180.17	56,182.83	
Compensatory Education	100-034-5120-067	68,138	7/1/2009	6/30/2010				(16,716.61)		0.92	51,420.47	
Handicapped Services												
Supplemental Instruction	100-034-5120-066	26,404	7/1/2010	6/30/2011		26,404.00	(22,581.00)		3,823.00		22,581.00	
Supplemental Instruction	100-034-5120-066	31,857	7/1/2009	6/30/2010	1,876.36			(1,876.36)			29,980.64	
Examination & Classification	100-034-5120-066	38,380	7/1/2009	6/30/2010	368.02			(368.02)			38,023.96	
Examination & Classification	100-034-5120-066	29,344	7/1/2010	6/30/2011		29,344.00	(29,343.92)			0.08	29,343.92	
Corrective Speech	100-034-5120-066	26,960	7/1/2010	6/30/2011		26,960.00	(25,581.71)		1,408.79		26,960.00	
Corrective Speech	100-034-5120-066	29,265	7/1/2010	6/30/2011		29,265.00	(29,265.00)				29,265.00	
Transportation												
ESL	100-034-5120-068	3,415	7/1/2010	6/30/2011	(80,113.19)	105,875.00	(22,740.24)		41,873.57	(38,852.00)	184,126.43	
ESL	N/A	226,000	7/1/2008	6/30/2010		837,611.00	(735,106.98)	(20,554.42)		(38,852.00)	1,080,636.62	
Total Special Revenue Fund					(23,938.54)	20,555.34	(20,554.42)			(38,852.00)	1,080,636.62	
Capital Projects Fund												
School Development Authority	0590-N01-02-0719	5,945,853	7/1/2010	Completion		204,437.40	(204,437.40)			(5,945,853.00)	-	
Cleary, Collings Lakes, High School Project	0590-N01-02-0719	14,412,222	3/24/2006	Completion						(1,294,345.43)	13,117,876.57	
New Middle School										(7,240,198.43)	-	
Total Capital Projects Fund						204,437.40	(204,437.40)			(7,240,198.43)	13,117,876.57	
State Department of Agriculture:												
Enterprise Fund												
National School Lunch Program (State Share)	100-010-3350-023	19,345	7/1/2009	6/30/2010	(1,780.26)	1,780.26	(11,463.09)				19,345.10	
National School Lunch Program (State Share)	100-010-3350-023	11,463	7/1/2010	6/30/2011		11,463.09					11,463.09	
Breakfast Program (State Share)	100-010-3350-021	5,858	7/1/2009	6/30/2010	(630.10)	630.10					5,858.30	
Total Enterprise Fund					(2,410.36)	13,873.45	(11,463.09)				36,666.49	
Total State Financial Assistance					(257,968.92)	18,824,284.11	(20,407,642.57)	(20,554.42)	7,345,129.92	(9,198,943.19)	35,635,701.30	

The accompanying Notes to Schedules of Expenditures of Averages of Financial Assistance are an integral part of this schedule.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2011**

NOTE 1. GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Buena Regional School District. The Board of Education is defined in Note 1 (A) to the Board's basic financial statements. All federal assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003,c.97.(A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$202,402.00 for the general fund and \$62,528.64 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>TPAF Pension</u>	<u>Total</u>
General Fund	\$ 72,243.98	20,743,864.10	(1,084,827.00)	\$ 19,731,281.08
Special Revenue Fund	2,863,080.05	765,969.61		3,629,049.66
Capital Projects		204,437.40		204,437.40
Enterprise Funds	<u>597,272.20</u>	<u>11,463.09</u>		<u>608,735.29</u>
	<u>\$ 3,532,596.23</u>	<u>\$ 21,725,734.20</u>	<u>\$ (1,084,827.00)</u>	<u>\$ 24,173,503.43</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

**BUENA REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2011
(CONTINUED)**

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the U.S.D.A. Commodities Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2011. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2011.

NOTE 6. ADJUSTMENTS

The District has instances where a grant period overlaps fiscal years and the grant has not closed out at the end of the current fiscal year. In addition, local contributions are reflected as adjustments.

**BUENA REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2011**

I. SUMMARY OF AUDITORS RESULTS

Financial Statements

Type of auditor's report issued: Unqualified Opinion issued on the Basic Financial Statements

Internal control over financial reporting:

- 1) Material weakness identified? No
- 2) Significant deficiencies identified? None Reported

Noncompliance material to basic financial Statements noted? No

Federal Awards

Internal control over major programs:

- 1) Material weakness identified? No
- 2) Significant deficiencies identified? None reported

Type of auditor's report issued on compliance for major programs: An Unqualified Opinion was issued on compliance for major programs

Any audit findings disclosed that are required to be reported In accordance with section .510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
Title I Part A Cluster	
84.010	Title I
84.010	NCLB Awards Program
84.010	Title I - SIA
84.389	ARRA Title I
Special Education Cluster (IDEA)	
84.391	ARRA IDEA
84.392	ARRA IDEA Preschool
84.027	IDEA, Regular
84.173	IDEA, Preschool

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

**BUENA REGIONAL SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDING JUNE 30, 2011
 (CONTINUED)**

I. SUMMARY OF AUDITORS RESULTS - Continued

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	\$658,907
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	An Unqualified Opinion was issued on compliance for major programs
Internal Control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None Reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04?	No
Identification of major programs:	

<u>GMIS Numbers</u>	<u>Name of State Program</u>
<u>State Aid Public Cluster of Programs</u>	
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Aid

**BUENA REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2011
(CONTINUED)**

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

III. FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

Federal:

Our audit disclosed no material Findings or Questioned Costs.

State:

Our audit disclosed no material Findings or Questioned Costs.

**BUENA REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

STATUS OF PRIOR YEAR FINDINGS

FINDING 2010-1:

Transactions between the General Fund bank account and the Payroll Agency bank account are not being properly recorded.

Current Status:

This finding was corrected in the 2010/2011 year.