

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

**Northern Valley Regional High School Board of Education
Demarest, New Jersey**

For the Fiscal Year Ended June 30, 2011

Prepared by

**Northern Valley Regional High School Board of Education
Finance Department**

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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Introductory Section



October 13, 2011

Honorable President and Members of the Board of Education
Northern Valley Regional High School District

Demarest, N.J. 07627

Dear Board Members:

The comprehensive annual financial report of the Northern Valley Regional High School District for the fiscal year ending June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data, 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 the report is accurate in all material respects. The report is designed to present an open review of the financial position and operational results of the District's various funds and account groups. 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 five sections: (1) the introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. (2) The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report. (3) The supplementary schedules provide insight into the public school fiscal year. (4) The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. (5) The single audit section of this report includes conformity with the provisions of the Single Audit Act of 1996 and the US Office of Management and Budget Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The single audit section of this report includes the auditors' reports on the internal control structure, compliance with applicable laws, regulations, findings and recommendations.

1) REPORTING ENTITY AND ITS SERVICES: The Northern Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. The report includes funds and account groups of the District. The Northern Valley Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The district is the Local Educational Agency responsible for twenty co-operative programs involving its constituent elementary schools. In addition to the constituent districts, it services the neighboring Alpine School District which completes a Bergen County regional consortium that is recognized by the Department of Education. In cooperation with other Districts throughout Bergen County, the District's regional services are available on a tuition basis if the program size and space matches' student and professional staff needs. The overall program services students with disability on a local level and students from surrounding public schools. The program enhances the opportunity for shared professional services, curriculum development, and provides shared business and technology services for elementary districts.

The Northern Valley Regional High School District is comprised of the municipalities of Closter, Demarest, and Haworth that are constituents of the high school in Demarest. Harrington Park, Northvale, Norwood, and Old Tappan are constituents of the high school at Old Tappan. The 17.3 square mile district has an estimated combined population in 2010 of 26,521. **The district Report Card reflects 11.75% of the students have IEP's. The first language spoken at home in order of frequency: English 67.5%, Korean 19.5%, Spanish 3.0%, Mandarin 1.3% Hebrew 2.8% Greek 1.0% and 4.9% Others. The districts mobility rate was 2.4% in comparison to the State average of 9.7%. All of the communities are considered upper middle class. The District's high schools house grades 9 through 12 with enrollments at each school of approximately 1,212 students in Demarest and 1,347 students in Old Tappan High Schools. The Region III program leases three non-public school locations as well as classrooms at local district Public Schools to house 160 Special Education students from our sending Districts and surrounding towns.**

The district's administrative building adjoins the high school at Demarest. The district is governed by an elected Board of Education, who serve three-year terms and is administrated by a Superintendent of Schools, Assistant Superintendent for Business/Board Secretary, and other appropriate administrators and supervisors. The Board seats are proportionate to student enrollment by town. The current membership consists of Closter (2), Demarest (1), Haworth (1), Harrington Park (1), Northvale (1), Norwood (2) and Old Tappan (1).

The faculty consists of 277 teachers with 50.90% holding advanced degrees. This represents certified staff in the high schools and the regional programs. Often our staff members achieve recognition as outstanding educators.

The accomplishments of our students reflect their considerable talents and working relationship with the faculty and staff. The successes of our students extend far beyond the classroom and are demonstrated by the many awards and scholarships that they have received. **Eight** Northern Valley Regional High School students met the requirements for designation as Finalists in the National Merit Scholarship Competition.

2) ECONOMIC CONDITION AND OUTLOOK: The Northern Valley Regional High School District is economically stable. Unemployment in Bergen County is **8.5%** as of **July 2011**. The per capita income for **2010** is **\$50,781**, as compared to 2008 of **\$67,696**. The district still remains the **4th** highest amongst New Jersey counties and above state average. Bergen County, New Jersey is considered one of the wealthiest areas in the nation. The population of the area has remained stable since 1970. The population grew substantially between 1950 and 1970. School facilities were constructed to accommodate the educational needs. Additions were added to the schools in 2004. State Aid to public school districts in New Jersey is based on the School Funding Reform Act.

The act is an attempt to equalize educational expenditures per pupil between wealthy and poorer school districts. The last several years the Department of Education has abandoned the State Aid formulas, which support transportation aid, technology aid, special education aid, and bilingual aid due to the State financial debt. The State's inability to financially support public schools is a current topic of debate before the citizens. The district's state aid for 2010-2011 was \$0.00. The District maintains a balance in their capital reserve account and set aside funds from the 2009-2010 school year as a reserve to reduce subsequent tax levy. The continued reductions in state aid will impact the future tax relief and facility upgrades.

The district did not receive state aid for the 2010-2011 school budget. Northern Valley Regional High School District recognizes the State's on behalf contribution for TPAF, Pension and Social Security. These contributions are equivalent to approximately 4 percent of the adjusted budget, while the average school district State Aid is **22%** of their net school budget. The district also recognizes that the state of NJ has not funded the pension contribution stated in the fiscal section of the audit. Future funding of New Jersey school districts is uncertain at this time based on the States concerns that property taxes are the highest in the country.

3) MAJOR INITIATIVES: The Northern Valley Regional High School District is continuously planning for the future. The Board and Administration review educational programs and facility needs as part of the district's annual resources review. The district developed a five year Long Range Facility Plan that was submitted to the State in October 2005. The report reflects the future needs of the district. The district's application is currently labeled as submission complete. The District has completed referendums in 2007 & 2009 to upgrade the mechanical system and secure the building envelope and is currently evaluating the installation of solar panels.

4) INTERNAL ACCOUNTING CONTROLS: The administration 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 financial statements are prepared 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.

Specific accounting controls secure district assets by processes for receipt of revenue, disbursement of purchase orders and payroll. Receipts are recorded and reconciled. Purchasing controls include multiple signatures on purchasing requests and counter signatures on disbursements warrants. Additionally, new personnel go through a series of independent documentation before the payroll process begins. The administration provides controls that exceed minimum requirements in all of these areas.

As a recipient of federal and state awards, the District is responsible for providing an adequate internal control structure to ensure compliance to these programs. This internal control is subject to periodic evaluations by the District management. The single audit procedures are evaluated to assess the risk associated with the internal control structure, as it relates to compliance with federal and state award programs. The District process is adjusted accordingly to comply with any changes in the law and regulations.

5) BUDGETARY CONTROLS: The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual budget approved by the voters of the District. Annual appropriated budgets are adopted for the general fund, the special revenue funds and the debt service fund. Capital Project budgets are approved for building infrastructure improvements and are funded from Capital Reserve or Long Term Debt. The fund budget amounts, as amended for the fiscal year, are reflected in the financial section. Expenditures are recorded by department and location for internal purposes. This permits supervisors and administrators to monitor encumbrances so not to exceed budgetary allocations.

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 account groups. These funds and account groups are explained in the "Notes to the Financial Statements, Note 1."

7) DEBT ADMINISTRATION: The voters of the District approved a building project totaling \$29,881,000 on September 25, 2001. The State of New Jersey, in accordance with the Educational Facilities and Capital Financing Act, has earmarked a \$6,546,180 grant to support the funding for the project. The District funded \$23,334,000 with a \$10,000,000 sale in December 2001 and a \$13,334,000 sale in February 2002.

1. On December 20, 2006, the district refunded the school bonds based on the balance of \$19,680,000. The District has \$14,880,000 bonds outstanding as of June 30, 2011 that relate to the improvements authorized by the voters in 2001 and 2002. The outstanding bonds represent 9% of the legal debt margin of \$164,758,094.
2. On April 17, 2007 the voters approved a referendum for \$2,186,000 for renovations in Old Tappan and Demarest High schools that included a new boiler, new biology labs, locker room and electrical upgrades. On June 29, 2007, the district funded the school bonds with \$2,186,000 bond sales. The District has \$1,855,000 in serial bonds as of June 30, 2011.
3. On April 21, 2009 the voters approved a referendum for improvements to roofs and exterior items such as windows and brick replacement for a total of \$3,816,888 on April 21, 2009. The district funded the referendum with a bond sale of \$2,290,000. The District has \$2,225,000 in serial bonds as of June 30, 2011.
4. The district total obligation in bonds as of June 30, 2012 is \$18,960,000.

The district's additions at both high schools allow students to enjoy facilities that are appropriate for today's educational program. Several infrastructure and site projects will be funded by the balance in the Capital Projects Fund 30. The district will discuss a prudent fiscal strategy during the 2011-2012 to provide the constituent districts with a favorable tax impact and maintain high quality facilities with reasonable longevity. The district borrowed funds from the Bergen County Improvement Authority to fund spread the cost of the improvement to the athletic fields over a five year period. The district will make the third payment in December 2011.

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 2. The District* has an approved policy authorizing the board secretary to invest current funds within the limitations of the State of New Jersey statutes. Excess funds are invested according to procedures on a continuous basis. **This resulted in \$28,787 interest income for the 2010-2011 school year. This represents a decrease in interest income from the previous year of \$75,535.**

9) RISK MANAGEMENT: The Board of Education policy states that the appropriate insurance coverage is attained at the most reasonable cost. The Board carries several

types of insurance including property and liability. Property insurance including all buildings and contents is limited to \$84,516,878 loss. Liability insurance is limited to \$61,000,000. All insurance claims are handled through the Board Secretary and the Board appointed risk manager. These insurance limits represent significant increases in coverage with a new insurance carrier, New Jersey School Board Association Insurance Group.

10) OTHER INFORMATION: State statutes require an annual audit by an independent certified public accountant or registered municipal accountant that is licensed as a public school accountant. The accounting firm of T.M.Vrabel & Associates, LLC was approved by Board of Education.

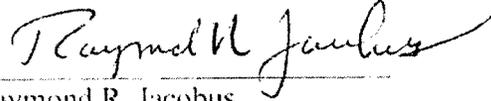
In addition to meeting the requirements set forth in state statutes, the audit is designed to meet the requirements of OMB Circular A-133 and State of New Jersey OMB Circular 04-04. The auditor's report on the general-purpose financial statements, combined and individual fund statements and other schedules are included in the financial section of this report. The auditor's report related specifically to the federal and state grant funds and state aid are included in the single audit section of this report.

11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Northern Valley Regional High 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 integrity and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administration, support staff, and the financial and accounting staff.

Respectfully Submitted.



Dr. Christopher Nagy
Superintendent



Raymond R. Jacobus
Assistant Superintendent for Business and
Board Secretary

Programs

Neil Moles

PIE

Valley

SLICE

Occupational & Physical Therapy

G&T

Senior Service

Professional Development

Teens and Tots

WEE Tots

Athletics

Access

Curriculum Development

Summer Pre K

Summer K-8

Psychiatric

Speech Evaluations

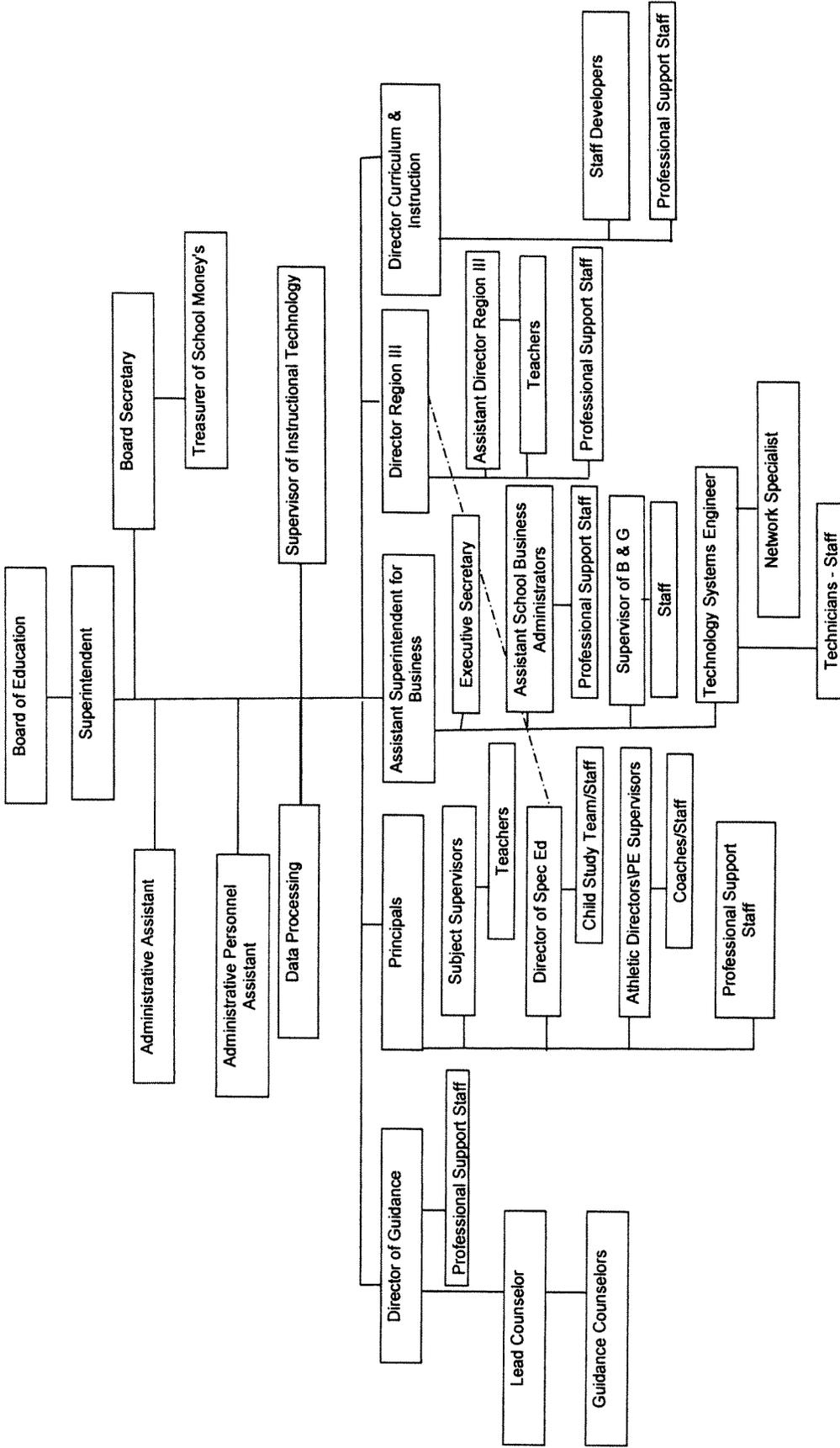
Learning Evaluations

Behavior Evaluations

Social Skills - After School

Junction

TIPS



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2011**

Members of the Board of Education

Term Expires

Mrs. Debra Lent, President	2013
Mr. Leonard Albanese	2014
Mr. David Chan	2012
Mrs. Marilyn Coats-Thomas	2013
Mrs. Alice Comer	2012
Mrs. Marie Petikas	2012
Mr. John Schettino	2014
Mr. Ronald Schwartzman	2014
Mr. Raymond Wiss	2012

Other Officials

Title

Dr. Christopher Nagy	Superintendent of Schools
Mr. Raymond R. Jacobus	Business Administrator/Board Secretary
Mrs. Joannette Femia	Assistant School Business Administrator
Mrs. Patricia DeRiso	Assistant School Business Administrator
Mr. John DiPaola	Treasurer of School Monies
Dr. Bruce Sabatini	Principal, NVRHS at Demarest
Mr. Fred Hessler	Principal, NVRHS at Old Tappan

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors

Architect

Architect Joseph Cecco
14 Broad Avenue
Norwood, New Jersey 07648

Attorney

James L. Plosia, Jr., Esq.
Apruzzese, McDermott, Mastro & Murphy
Somerset Hills Corporate Center
25 Independence Boulevard
Warren, New Jersey 07059

Audit Firm

T.M. Vrabel & Associates, LLC
170 East Main Street
Denville, New Jersey 07834

Official Depository

Bank of America
Hardenburgh Avenue
Demarest, New Jersey 07627

Commerce Bank
Old Hook Road
Westwood, New Jersey 07675

Columbia Bank
19-01 Route 208 North
Fair Lawn, New Jersey 07410

Valley National Bank
1460 Valley Road
Wayne, New Jersey 07470

Financial Section

Independent Auditor's Report



T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA



INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Northern Valley Regional High School District
County of Bergen, New Jersey

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District 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 Northern Valley Regional High School District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District 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 September 26, 2011 on our consideration of the Northern Valley Regional High School District'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.

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The Management's Discussion and Analysis on page 14 through 20 and budgetary comparison information on schedules C-1 and C-2 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 as promulgated by the Governmental Accounting Standards Board. 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 Northern Valley Regional High School District'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, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.



Timothy M. Vrabel
Public School Accountant
License No. CS000698



Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

September 26, 2011

**REQUIRED SUPPLEMENTARY INFORMATION -
PART I**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Northern Valley Regional High School District financial activities for the fiscal year ended June 30, 2011. Please read it in conjunction with the transmittal letter on page 1 and the District's financial statements, which begin on page 23.

FINANCIAL HIGHLIGHTS

- The District's net assets increased \$272,000 as a result of this year's operations. Net assets of our business-type activities decreased \$369,000 or 15.6 percent, and net assets of our governmental activities increased \$641,000 or 2.8 percent.
- Total cost of all of the District's programs was \$71.293 million in 2010-2011 compared to \$71.068 million in 2009-2010.
- During the year, the District had expenses for governmental activities that were \$854,000 more than the \$52.724 million generated in tax and other program revenues

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 23 and 24) provide information about the activities of the District as a whole and present a longer-term view on the District's finances. Fund financial statements start on page 27. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most financially significant funds

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the District as a whole begins on page 16. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in them. You can think of the District's net assets, the difference between assets and liabilities, as one way to measure the District's financial health, or *financial position*. Over time, *increases* or *decreases* in the District's net assets are one indicator whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base, and the condition of the District's capital assets to assess the overall *health* of the District.

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

- **Governmental activities:** most of the District's basic services are reported here, including general administration. Local taxes, tuition and state and federal aid finance most of these activities.
- **Business-type-activities:** the District has ten proprietary funds as shown on pages 81, 82 and 83.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds begins on page 18. The fund financial statements begin on page 27 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State law. The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental funds: most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. 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 District's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on page 29.

Proprietary funds: when the District charges customers for the full cost of the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the District's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for the Unemployment Compensation Trust, Scholarship Funds and Agency Funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 35 and 36. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

The District's *combined* net assets changed from a year ago, increasing from 25.159 million to 25.431 million. Looking at the net assets and net expenses of governmental and business-type activities separately, different stories emerge. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the District's governmental and business-type activities as of June 30.

Table 1
Net Assets (in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Current and other assets	3,633	3,431	3,285	2,882	6,918	6,313
Long term receivables	305	1,374			305	1,374
Capital assets	<u>40,773</u>	<u>40,679</u>	<u>64</u>	<u>66</u>	<u>40,837</u>	<u>40,745</u>
Total assets	<u>44,711</u>	<u>45,484</u>	<u>3,349</u>	<u>2,948</u>	<u>48,060</u>	<u>48,432</u>
Long-term debt outstanding	20,817	22,188	184	202	21,001	22,390
Other liabilities	<u>465</u>	<u>508</u>	<u>1,163</u>	<u>375</u>	<u>1,628</u>	<u>883</u>
Total liabilities	<u>21,282</u>	<u>22,696</u>	<u>1,347</u>	<u>577</u>	<u>22,629</u>	<u>23,273</u>
Net assets:						
Invested in capital assets, net of debt	21,275	19,824	64	66	21,339	19,890
Restricted	1,995	3,197			1,995	3,197
Unrestricted (deficit)	<u>159</u>	<u>(233)</u>	<u>1,938</u>	<u>2,305</u>	<u>2,097</u>	<u>2,072</u>
Total net assets	<u>23,429</u>	<u>22,788</u>	<u>2,002</u>	<u>2,371</u>	<u>25,431</u>	<u>25,159</u>

Net assets of the District's governmental activities increased by 2.8 percent. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – increased \$392,000. Restricted net assets, those restricted mainly for capital projects decreased \$1,202,000. The investment in capital assets, net of debt category increased \$1,451,000.

Table 2
Changes in Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
<u>Revenues</u>						
Program revenues:						
Charges for Services	812	823	18,860	19,461	19,672	20,284
Operating Grants and Contributions	5,671	7,063			5,671	7,063
General revenues:						
Property Taxes	45,727	44,011			45,727	44,011
Tuition	277	249			277	249
Federal and State Aid	31	113			31	113
Interest and Investment Earnings	35	75	8	11	43	86
Other General Revenues	172	112	-	-	172	112
Total Revenues	<u>52,725</u>	<u>52,446</u>	<u>18,868</u>	<u>19,472</u>	<u>71,593</u>	<u>71,918</u>
<u>Program expenses including indirect expenses</u>						
Instruction:						
Regular	24,245	23,425			24,245	23,425
Special	2,889	2,790			2,889	2,790
Other instruction	2,402	2,456			2,402	2,456
Support services:						
Tuition	2,697	2,350			2,697	2,350
Student and instruction related services	7,086	7,205			7,086	7,205
School administrative services	3,443	3,453			3,443	3,453
General and business administrative services	2,010	2,206			2,010	2,206
Plant operations and maintenance	4,773	5,162			4,773	5,162
Pupil transportation	1,578	1,724			1,578	1,724
Special schools	71	72			71	72
Interest on long-term debt	890	897			890	897
Business-type activities:						
Non-Major Programs			1,238	1,087	1,238	1,087
Technical Services			2,590	2,161	2,590	2,161
Teens and Tots			287	286	287	286
Regional Cooperative Program			860	928	860	928
Regional Transportatio			1,688	2,660	1,688	2,660
Regional Special Education			12,546	12,206	12,546	12,206
Total Expenses	<u>52,084</u>	<u>51,740</u>	<u>19,209</u>	<u>19,328</u>	<u>71,293</u>	<u>71,068</u>
Increase (Decrease) in Net Assets	<u>641</u>	<u>706</u>	<u>(341)</u>	<u>144</u>	<u>300</u>	<u>850</u>

THE DISTRICT'S FUNDS**Governmental Activities****Table 3****Information below compares revenues and expenditures for all governmental fund types for 2010-2011 and 2009-2010.**

(\$000 omitted)

<u>Revenues by Source:</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>% Change</u>
Local Tax Levy	46,524	44,798	3.85%
Tuition Charges	290	286	1.40%
Interest Earned to Investments	35	75	-53.33%
Miscellaneous	223	186	19.89%
Total - Local Sources	47,072	45,345	3.81%
State Sources	4,736	5,724	-17.26%
Federal Sources	916	1,376	-33.43%
Total Revenues	<u>52,724</u>	<u>52,445</u>	0.53%

(\$000 omitted)

<u>Expenditures by Function:</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>% Change</u>
Current:			
Regular Instruction	18,240	17,412	4.76%
Special education	2,281	2,199	3.73%
Other instruction	1,832	1,850	-0.97%
Support Services and undistributed costs:			
Tuition	2,697	2,350	14.77%
Student and instruction related services	5,547	5,632	-1.51%
School administrative services	2,548	2,493	2.21%
General and Business administrative services	1,656	1,808	-8.41%
Plant operations and maintenance	3,687	4,057	-9.12%
Pupil transportation	1,538	1,675	-8.18%
Employee Benefits	10,380	10,443	-0.60%
Capital Outlay	1,113	3,251	-65.76%
Special Schools	54	72	-25.00%
Debt Service:			
Principal	1,085	1,045	3.83%
Interest on long-term debt	920	855	7.60%
Total Expenditures	<u>53,578</u>	<u>55,142</u>	-2.84%

Business-type Activities

District's major Enterprise Funds consist mainly of Regional Cooperative Programs, Regional Transportation and Regional Special Education. The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Table 4, which demonstrates return on ending assets and return on ending net assets.

Table 4

(\$000 omitted)

	<u>Non-Major Programs</u>	<u>Technical Services</u>	<u>Teens and Tots</u>	<u>Regional Cooperative Program</u>	<u>Regional Transportation</u>	<u>Regional Special Education</u>
Total Assets	427	421	40	248	216	1,996
Net Assets	203	-491	-2	188	216	1,888
Change in Net Assets	24	-474	8	106	9	(14)
Return on Ending Total Assets	5.62%	-112.59%	20.00%	42.74%	4.17%	-0.70%
Return on Ending Net Assets	11.82%	96.54%	-400.00%	56.38%	4.17%	-0.74%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Table 5

Capital Assets at Year-end (Net of Depreciation, in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	2,299	2,299			2,299	2,299
Land Improvements	6,435	6,435			6,435	6,435
Buildings	13,164	13,125			13,164	13,125
Machinery and Equipment	2,574	2,375	139	99	2,713	2,474
Construction-in-progress	33,355	32,754	-	-	33,355	32,754
Subtotal	57,827	56,988	139	99	57,966	57,087
Accumulated Depreciation	(17,055)	(16,309)	(75)	(63)	(17,130)	(16,372)
Totals	<u>40,772</u>	<u>40,679</u>	<u>64</u>	<u>36</u>	<u>40,836</u>	<u>40,715</u>

The District's 2011-2012 capital budget contains spending for capital projects. More detailed information about the District capital projects available through the Business Office.

DEBT

At year- end the District had total debt of \$18.826 million outstanding versus \$19.911 million last year – a decrease of 5.4 percent as shown in Table 6.

Outstanding Debt, at year –end (in thousands) Table 6

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Serial Bonds	18,825	19,910
Loans		
Lease Purchase Agreement		
Temporary Notes		
Authorized but not Issued	<u>1</u>	<u>1</u>
	<u>18,826</u>	<u>19,911</u>

An analysis of District Debt is presented in Note III: D. to the basic financial statements.

BUDGETS

The variances between the originally adopted budget for the year 2010-2011, and the final budget were caused by the treatment of encumbrances that are added to the original budget. In addition, the State pension payments, which are paid by the State on behalf of employees are not budgeted, however they are counted as an expense in the audit.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator, Northern Valley Regional High School District, 162 Knickerbocker Road, Demarest, New Jersey, 07627.

BASIC FINANCIAL STATEMENTS

Section A
DISTRICT – WIDE FINANCIAL STATEMENTS

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH 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	\$ 1,287,038.19	\$ 2,097,167.86	\$ 3,384,206.05
Receivables, net	1,025,875.12	1,182,640.77	2,208,515.89
Interfund receivable	156.31		156.31
Inventory		5,313.75	5,313.75
Restricted assets:			
Cash and cash equivalents	422,356.84		422,356.84
Capital reserve account - cash	1,202,640.44		1,202,640.44
Capital assets, net (Note III:C.):	<u>40,772,835.04</u>	<u>63,516.24</u>	<u>40,836,351.28</u>
Total Assets	<u>44,710,901.94</u>	<u>3,348,638.62</u>	<u>48,059,540.56</u>
LIABILITIES			
Accounts payable	66,099.73	1,126,738.49	1,192,838.22
Payable to federal government	9,258.69		9,258.69
Payable to state government	1.00		1.00
Bond interest payable	369,936.98		369,936.98
Deferred revenue	19,284.16	35,868.11	55,152.27
Noncurrent liabilities (Note IV:B.):			
Due within one year	1,722,599.84		1,722,599.84
Due beyond one year	<u>19,094,588.54</u>	<u>184,345.63</u>	<u>19,278,934.17</u>
Total liabilities	<u>21,281,768.94</u>	<u>1,346,952.23</u>	<u>22,628,721.17</u>
NET ASSETS			
Invested in capital assets, net of related debt	21,274,677.33	63,516.24	21,338,193.57
Restricted for:			
Capital projects	1,441,942.13		1,441,942.13
Debt service	(369,937.41)		(369,937.41)
Other purposes	923,259.21		923,259.21
Unrestricted	<u>159,191.74</u>	<u>1,938,170.15</u>	<u>2,097,361.89</u>
Total Net Assets	<u>\$ 23,429,133.00</u>	<u>\$ 2,001,686.39</u>	<u>\$ 25,430,819.39</u>

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**
Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 24,244,865.94	\$ -	\$ 2,330,121.19	\$ (21,914,744.75)	\$ -	\$ (21,914,744.75)
Special education	2,889,125.62		823,168.49	(2,065,957.13)		(2,065,957.13)
Other instruction	2,402,118.83		205,982.75	(2,196,136.08)		(2,196,136.08)
Support services:						
Tuition	2,696,602.43		653,331.70	(2,043,270.73)		(2,043,270.73)
Student and instruction related services	7,086,118.37		799,499.14	(6,286,619.23)		(6,286,619.23)
School administrative services	3,443,343.95		308,048.57	(3,135,295.38)		(3,135,295.38)
General and business administrative services	2,009,499.47		118,515.39	(1,890,984.08)		(1,890,984.08)
Plant operations and maintenance	4,772,742.77		274,745.42	(4,497,997.35)		(4,497,997.35)
Pupil transportation	1,578,324.41		58,943.65	(1,519,380.76)		(1,519,380.76)
Special schools	70,787.51	13,795.00	6,314.64	(50,677.87)		(50,677.87)
Interest on long-term debt	890,275.46	797,670.46	92,605.00			
Total governmental activities	<u>52,083,804.76</u>	<u>811,465.46</u>	<u>5,671,275.94</u>	<u>(45,601,063.36)</u>		<u>(45,601,063.36)</u>
Business-type activities:						
Non-Major Programs	1,238,009.36	1,261,510.76			23,501.40	23,501.40
Technical Services	2,589,518.95	2,115,440.70			(474,078.25)	(474,078.25)
Teens and Tools	286,889.25	295,237.48			8,348.23	8,348.23
Regional Cooperative Program	860,221.13	966,349.20			106,128.07	106,128.07
Regional Transportation	1,687,902.08	1,697,411.31			9,509.23	9,509.23
Regional Special Education	12,545,984.70	12,523,805.70			(22,179.00)	(22,179.00)
Total business-type activities	<u>19,208,525.47</u>	<u>18,859,755.15</u>			<u>(348,770.32)</u>	<u>(348,770.32)</u>
Total primary government	<u>\$ 71,292,330.23</u>	<u>\$ 19,671,220.61</u>	<u>\$ 5,671,275.94</u>	<u>\$ (45,601,063.36)</u>	<u>\$ (348,770.32)</u>	<u>\$ (45,949,833.68)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes				\$ 44,885,134.00	\$ -	\$ 44,885,134.00
Property taxes, levied for debt service principal				841,569.60		841,569.60
Federal and State aid not restricted				31,416.39		31,416.39
Tuition (other than special schools)				276,429.01		276,429.01
Investment Earnings					8,295.51	8,295.51
Miscellaneous Income				171,968.13		171,968.13
Transfers				364.44		364.44
Total general revenues, special items, extraordinary items and transfers				<u>46,241,982.75</u>	<u>8,295.51</u>	<u>46,250,278.26</u>
Change in Net Assets				640,919.39	(340,474.81)	300,444.58
Net Assets—beginning				22,788,213.61	2,342,161.20	25,130,374.81
Net Assets—ending				<u>\$ 23,429,133.00</u>	<u>\$ 2,001,686.39</u>	<u>\$ 25,430,819.39</u>

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

Section B
FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 1,217,292.00	\$ 69,746.62	\$ 422,356.84	\$ (0.43)	\$ 1,709,395.03
Interfunds receivable	8,386.46				8,386.46
Receivables from other governments	697,227.66	22,546.96	305,350.50		1,025,125.12
Other receivables		750.00			750.00
Restricted cash and cash equivalents	<u>1,202,640.44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,202,640.44</u>
Total Assets	<u>\$ 3,125,546.56</u>	<u>\$ 93,043.58</u>	<u>\$ 727,707.34</u>	<u>\$ (0.43)</u>	<u>\$ 3,946,297.05</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 66,099.73	\$ -	\$ -	\$ 66,099.73
Interfunds payable			8,230.15		8,230.15
Payable to federal government		9,258.69			9,258.69
Payable to state government		1.00			1.00
Deferred revenue	<u>1,600.00</u>	<u>17,684.16</u>	<u>-</u>		<u>19,284.16</u>
Total Liabilities	<u>1,600.00</u>	<u>93,043.58</u>	<u>8,230.15</u>		<u>102,873.73</u>
Fund Balances:					
Restricted for:					
Capital Reserve Account	1,202,640.44				1,202,640.44
Capital Projects			239,301.69		239,301.69
Debt Service				(0.43)	(0.43)
Assigned to:					
Other Purposes	443,083.71		480,175.50		923,259.21
Designated for Subsequent Year's Expenditures	<u>532,147.00</u>				<u>532,147.00</u>
Unassigned	<u>946,075.41</u>				<u>946,075.41</u>
Total Fund Balances	<u>3,123,946.56</u>	<u>-</u>	<u>719,477.19</u>	<u>(0.43)</u>	<u>3,843,423.32</u>
Total Liabilities and Fund Balances	<u>\$ 3,125,546.56</u>	<u>\$ 93,043.58</u>	<u>\$ 727,707.34</u>	<u>\$ (0.43)</u>	

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

Adjustment to Debt Service Fund net assets for the accrual of interest expense. (369,936.98)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$57,828,428.73 and the accumulated depreciation is \$17,055,593.69. 40,772,835.04

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note IV:B.) (20,817,188.38)

Net assets of governmental activities **\$ 23,429,133.00**

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Local tax levy	\$ 44,885,134.00	\$ -	\$ -	\$ 1,639,240.06	\$ 46,524,374.06
Tuition charges	290,224.01				290,224.01
Interest earned on investments	27,935.45		1,733.56		29,669.01
Interest earned on Capital Reserve Funds	5,432.17				5,432.17
Miscellaneous	<u>171,968.13</u>	<u>50,865.80</u>	<u>-</u>	<u>-</u>	<u>222,833.93</u>
Total - Local Sources	45,380,693.76	50,865.80	1,733.56	1,639,240.06	47,072,533.18
State sources	4,550,202.68	92,736.00		92,605.00	4,735,543.68
Federal sources	<u>-</u>	<u>916,282.85</u>	<u>-</u>	<u>-</u>	<u>916,282.85</u>
Total Revenues	<u>49,930,896.44</u>	<u>1,059,884.65</u>	<u>1,733.56</u>	<u>1,731,845.06</u>	<u>52,724,359.71</u>
EXPENDITURES					
Current:					
Regular instruction	18,004,289.73	235,582.03			18,239,871.76
Special education instruction	1,719,212.55	561,982.82			2,281,195.37
Other instruction	1,831,958.82				1,831,958.82
Support services and undistributed costs:					
Tuition	2,696,602.43				2,696,602.43
Student and instruction related services	5,321,553.54	225,337.20			5,546,890.74
School administrative services	2,548,102.28				2,548,102.28
General and business administrative services	1,655,896.84				1,655,896.84
Plant operations and maintenance	3,687,408.61				3,687,408.61
Pupil transportation	1,538,055.24				1,538,055.24
Unallocated benefits	10,359,764.96	20,509.00			10,380,273.96
Special schools	53,527.68				53,527.68
Capital outlay	494,923.15	16,473.60	601,707.03		1,113,103.78
Debt service:					
Principal				1,085,000.00	1,085,000.00
Interest and other charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>920,108.97</u>	<u>920,108.97</u>
Total Expenditures	<u>49,911,295.83</u>	<u>1,059,884.65</u>	<u>601,707.03</u>	<u>2,005,108.97</u>	<u>53,577,996.48</u>
Excess (Deficiency) of revenues over expenditures					
	<u>19,600.61</u>	<u>-</u>	<u>(599,973.47)</u>	<u>(273,263.91)</u>	<u>(853,636.77)</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers in	2,098.00			273,264.00	275,362.00
Transfers (out)	<u>(273,264.00)</u>		<u>(1,733.56)</u>	<u>-</u>	<u>(274,997.56)</u>
Total Other Financing Sources and (Uses)	<u>(271,166.00)</u>	<u>-</u>	<u>(1,733.56)</u>	<u>273,264.00</u>	<u>364.44</u>
Net change in fund balances	(251,565.39)	-	(601,707.03)	0.09	(853,272.33)
Fund Balance—July 1	<u>3,375,511.95</u>	<u>-</u>	<u>1,321,184.22</u>	<u>(0.52)</u>	<u>4,696,695.65</u>
Fund Balance—June 30	<u>\$ 3,123,946.56</u>	<u>\$ -</u>	<u>\$ 719,477.19</u>	<u>\$ (0.43)</u>	<u>\$ 3,843,423.32</u>

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2011**

Total net change in fund balances - governmental funds (from B-2) **\$ (853,272.33)**

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

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The difference in accrued interest is an addition in the reconciliation. (+)

	Interest paid	\$ 920,108.97	
	Interest accrued	<u>(890,275.46)</u>	
			29,833.51

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

	Depreciation expense	(746,970.26)	
	Capital outlays (exclusive of capital lease principal payments)	<u>840,640.37</u>	
			93,670.11

Adjustment to Capital Assets in accordance with physical appraisal

In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)

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

13,224.69

Payment of long-term liability 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.

	Debt principal	1,085,000.00	
	Capital lease principal	272,463.41	

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

	Proceeds of long-term debt		
	Capital lease proceeds		-

Revenues in the statement of activities which do not provide current financial resources are not reported as revenues in the funds. (+)

		<u>-</u>
Change in net assets of governmental activities	\$	<u>640,919.39</u>

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

PROPRIETARY FUNDS

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund	
	Non-Major Programs	Technical Services	Teens and Totals	Regional Cooperative Program	Regional Transportation		Regional Special Education
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ 361,552.00	\$ 274,643.22	\$ 39,767.32	\$ 246,415.68	\$ (110,776.70)	\$ 1,285,566.34	\$ 2,097,167.86
Other receivables	57,525.15	146,181.53	-	2,000.00	327,049.75	649,884.34	1,182,640.77
Inventories	5,313.75	-	-	-	-	-	5,313.75
Total Current Assets	<u>424,390.90</u>	<u>420,824.75</u>	<u>39,767.32</u>	<u>248,415.68</u>	<u>216,273.05</u>	<u>1,935,450.68</u>	<u>3,285,122.38</u>
Noncurrent assets:							
Furniture, machinery and equipment	4,295.00	-	-	-	-	134,517.29	138,812.29
Less accumulated depreciation	(1,227.14)	-	-	-	-	(74,068.91)	(75,296.05)
Total Noncurrent Assets	<u>3,067.86</u>	<u>420,824.75</u>	<u>39,767.32</u>	<u>248,415.68</u>	<u>216,273.05</u>	<u>1,895,899.06</u>	<u>3,348,638.62</u>
Total Assets							<u>1,922.97</u>
LIABILITIES							
Current Liabilities:							
Accounts payable	218,621.94	895,026.11	658.38	1,279.20	140.41	11,012.45	1,126,738.49
Deferred revenue	5,821.11	-	24,847.00	5,200.00	-	-	35,868.11
Total Current Liabilities	<u>224,443.05</u>	<u>895,026.11</u>	<u>25,505.38</u>	<u>6,479.20</u>	<u>140.41</u>	<u>11,012.45</u>	<u>1,162,606.60</u>
Noncurrent Liabilities:							
Compensated absences	-	17,150.00	16,537.50	53,600.00	-	97,058.13	184,345.63
Total Noncurrent Liabilities	<u>-</u>	<u>17,150.00</u>	<u>16,537.50</u>	<u>53,600.00</u>	<u>-</u>	<u>97,058.13</u>	<u>184,345.63</u>
Total Liabilities	<u>224,443.05</u>	<u>912,176.11</u>	<u>42,042.88</u>	<u>60,079.20</u>	<u>140.41</u>	<u>108,070.58</u>	<u>1,346,952.23</u>
NET ASSETS							
Invested in capital assets, net of related debt	3,067.86	-	-	-	-	60,448.38	63,516.24
Unrestricted	199,947.85	(491,351.36)	(2,275.56)	188,336.48	216,132.64	1,827,380.10	1,938,170.15
Total Net Assets	<u>\$ 203,015.71</u>	<u>\$ (491,351.36)</u>	<u>\$ (2,275.56)</u>	<u>\$ 188,336.48</u>	<u>\$ 216,132.64</u>	<u>\$ 1,887,828.48</u>	<u>\$ 2,001,686.39</u>

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011**

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Non-Major Programs	Technical Services	Teens and Totals	Regional Cooperative Program	Regional Special Education	
Operating Revenues:						
Charges for services:	\$ 868,062.42	\$ -	\$ -	\$ -	\$ -	\$ 868,062.42
Daily sales - non-reimbursable programs	56,956.34	-	-	-	-	56,956.34
Special functions	336,492.00	2,115,440.70	295,237.48	966,349.20	12,523,805.70	16,237,325.08
Program fees	-	-	-	-	-	-
Transportation fees from other LEA's within the state	-	-	1,697,411.31	-	-	1,697,411.31
Services provided to other school districts	-	-	-	-	-	-
Total Operating Revenues	1,261,510.76	2,115,440.70	295,237.48	966,349.20	12,523,805.70	18,859,755.15
Operating Expenses:						
Cost of sales	389,163.15	-	-	-	-	389,163.15
Salaries	364,146.21	473,673.57	275,918.24	512,098.00	8,231,106.29	9,856,943.31
Employee benefits	71,454.75	35,728.43	8,756.22	146,029.85	2,745,493.44	3,007,464.69
Other purchased professional services	47,843.45	-	-	151,259.00	268,951.64	468,054.09
Rentals	239,005.00	-	-	2,125.00	1,085,293.71	1,326,423.71
Other purchased services	61,291.14	-	-	24,480.53	95,100.69	1,868,774.44
Maintenance	-	1,010,735.67	-	-	30,264.78	1,041,000.45
General supplies	64,492.09	1,069,381.28	2,212.79	24,227.75	78,056.28	1,238,370.19
Depreciation	613.57	-	-	-	11,717.87	12,331.44
Total Operating Expenses	1,238,009.36	2,589,518.95	286,889.25	860,221.13	12,545,894.70	182,043.43
Operating Income (Loss)	23,501.40	(474,078.25)	8,348.23	106,128.07	(22,179.00)	1,922.97
Nonoperating Revenues (Expenses):						
Refund of prior year revenue	-	-	-	-	8,295.51	8,295.51
Interest and investment revenue	-	-	-	-	8,295.51	8,295.51
Total Nonoperating Revenues (Expenses)	-	(474,078.25)	8,348.23	106,128.07	(13,883.49)	1,922.97
Transfers in (out)	23,501.40	(474,078.25)	8,348.23	106,128.07	(13,883.49)	(340,474.81)
Change in net assets	179,514.31	(17,273.11)	(10,623.79)	82,208.41	1,901,711.97	2,342,161.20
Total Net Assets—Beginning	\$ 203,015.71	\$ (491,351.36)	\$ (2,275.56)	\$ 188,336.48	\$ 1,887,828.48	\$ 2,001,686.39
Total Net Assets—Ending						\$ 1,922.97

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

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Fund
	Non-Major Programs	Technical Services	Teens and Jobs	Regional Cooperative Program	Regional Special Education		
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 1,238,798.13	\$ 2,076,908.95	\$ 293,450.50	\$ 1,002,015.70	\$ 2,434,685.78	\$ 12,391,071.87	\$ 19,436,930.93
Payments to employees	(364,146.21)	(474,873.57)	(274,343.24)	(520,224.00)	-	(9,241,420.04)	(9,875,007.06)
Payments for employee benefits	(71,654.75)	(35,728.43)	(8,758.22)	(146,029.85)	-	(2,745,493.44)	(3,007,464.89)
Payments to suppliers	(761,098.09)	(1,316,382.29)	(4,015.04)	(200,813.08)	(1,687,751.87)	(1,563,530.19)	(5,553,611.36)
Net cash provided by (used for) operating activities	22,088.08	249,924.66	6,334.00	134,948.77	746,924.11	(159,371.80)	1,000,847.82
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchases of capital assets	-	-	-	-	-	(39,392.78)	(39,392.78)
Net cash provided by (used for) capital and related financing activities	-	-	-	-	-	(39,392.78)	(39,392.78)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest and dividends	-	-	-	-	-	8,295.51	8,295.51
Net cash provided by (used for) investing activities	-	-	-	-	-	8,295.51	8,295.51
Net increase (decrease) in cash and cash equivalents	22,088.08	249,924.66	6,334.00	134,948.77	746,924.11	(190,468.07)	969,750.55
Balances—beginning of year	339,663.92	24,719.56	33,433.32	111,466.91	(857,700.81)	1,476,035.41	1,127,417.31
Balances—end of year	\$ 361,552.00	\$ 274,643.22	\$ 39,767.32	\$ 246,415.68	\$ (110,776.70)	\$ 1,285,566.34	\$ 2,097,167.86
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ 23,501.40	\$ (474,078.25)	\$ 8,346.23	\$ 106,128.07	\$ 9,509.23	\$ (22,179.00)	\$ (348,770.32)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation and net amortization	613.57	-	-	-	-	11,717.87	12,331.44
(Increase) decrease in accounts receivable, net	(36,033.74)	(38,531.75)	7,826.02	30,466.50	737,274.47	(132,733.63)	568,067.67
(Increase) decrease in inventories	(673.72)	-	-	-	-	-	(673.72)
Increase (decrease) in deferred revenue	13,321.11	-	(9,413.00)	5,200.00	-	(5,863.09)	9,106.11
Increase (decrease) in accounts payable	21,359.46	763,734.66	(1,802.25)	1,279.20	140.41	(5,863.09)	778,848.39
Increase (decrease) in accrued salaries benefits	-	(1,200.00)	1,575.00	(8,125.00)	-	(10,313.75)	(18,063.75)
Total adjustments	(1,413.32)	724,002.91	(2,014.23)	28,820.70	737,414.88	(137,192.80)	1,349,618.14
Net cash provided by (used for) operating activities	\$ 22,088.08	\$ 249,924.66	\$ 6,334.00	\$ 134,948.77	\$ 746,924.11	\$ (159,371.80)	\$ 1,000,847.82

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

FIDUCIARY FUNDS

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011**

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and cash equivalents	\$ 16,561.97	\$ 26,992.60	\$886,110.17
Total Assets	<u>\$ 16,561.97</u>	<u>\$ 26,992.60</u>	<u>\$886,110.17</u>
LIABILITIES			
Payable to district			\$ 156.31
Payable to student groups			593,443.58
Payroll deductions and withholdings			<u>292,510.28</u>
Total Liabilities			<u>\$886,110.17</u>
NET ASSETS			
Held in trust for unemployment claims and other purposes	<u>\$ 16,561.97</u>		
Reserved for scholarships		<u>\$ 26,992.60</u>	

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011**

	<u>Unemployment Compensation Trust</u>	<u>Lease/Purchase Escrow Fund</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS			
Contributions:			
Plan member	\$ 70,133.15	\$ -	\$ -
Board of Education	41,143.56		
Other	-		
Total Contributions	<u>111,276.71</u>		-
Investment earnings:			
Interest	84.21		120.29
Net investment earnings	84.21		120.29
Total Additions	<u>111,360.92</u>		<u>120.29</u>
DEDUCTIONS			
Unemployment claims	141,763.68		
Capital asset payments		315,000.00	
Scholarships awarded	-	-	1,050.00
Total Deductions	<u>141,763.68</u>	<u>315,000.00</u>	<u>1,050.00</u>
Change in Net Assets	(30,402.76)	(315,000.00)	(929.71)
Net Assets—beginning	<u>46,964.73</u>	<u>315,000.00</u>	<u>27,922.31</u>
Net Assets—ending	<u>\$ 16,561.97</u>	<u>\$ -</u>	<u>\$ 26,992.60</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Board of Education (Board) of the Northern Valley Regional High School District (District) have been prepared in conformity with generally accepted accounting principles (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 District is required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so. The more significant accounting policies established in GAAP and used by the District are discussed below.

In June 1999, the GASB issued Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. This Statement established new financial reporting requirements for state and local governments throughout the United States. It required new information and restructuring much of the information that governments had presented in the past. The District began implementing these standards for the fiscal year ending June 30, 2003.

Other GASB Statements were also required to be implemented in conjunction with GASB Statements No. 34. Therefore, the District implemented for the fiscal year ending June 30, 2003, Statement No. 37 – Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus, and Statement No. 38 – Certain Financial Statement Note Disclosures.

B. Reporting Entity

The Northern Valley Regional High School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. 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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include two senior high schools located in Demarest and Old Tappan. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

C. Basic Financial Statements- Government-Wide Statements

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the 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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities 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 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 all taxes, are presented as general revenues.

D. Basic Financial Statements- Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

Governmental Fund Types

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund – The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

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 and, excluding equipment, with County Superintendent approval.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements (Continued)

Special Revenue Fund – The Special Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund – The Capital Projects Fund is used to account for 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 specially 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 Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise Funds – The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund, Wee Tots, Swimming, Ice Hockey, SAT Classes, Technical Services, Teens and Tots, Regional Cooperative Program, Regional Transportation and Regional Special Education

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Equipment	12 Years
Light Trucks and Vehicle	4 Years
Heavy Trucks and Vehicle	6 Years

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements (Continued)

Fiduciary Fund Types

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (Unemployment Compensation, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

E. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include state and federal aid, property taxes, grants entitlements and donations.

Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

F. 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 and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Appropriation of prior year encumbrances in the amount of \$642,880.23 were made during the year ended June 30, 2011. The significant budget transfers and amendments approved in the school year are presented on Exhibit C-1.

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 legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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.

The special revenue fund had no encumbrances at June 30, 2011.

The reconciliation of the general and special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting is presented on Exhibit C-3.

G. Assets, Liabilities and Fund Equity

1. Deposits and Investments

Deposits are cash and cash equivalents including petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. 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.

2. Short – term Interfund Receivables/Payables

Short – term interfund receivables/payables represents amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity (Continued)

3. Inventories

Inventories, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

4. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on the following assets is provided on the straight – line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and Equipment	5-10 years
Land Improvements	10-20 years
Other Infrastructure	10-50 years

Land and Construction in Progress are not depreciated.

GASB No. 34 requires the District to report and depreciate new infrastructure assets effective with the beginning of the current year. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2006.

5. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the 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.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government – wide presentations. (See Note IX)

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity (Continued)

6. Deferred Revenue

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See Note I(F) regarding the special revenue fund.

7. Long – term Obligations

Long – term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long – term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government – wide presentations.

8. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

9. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note II: Reconciliation of Government Wide and Fund Financial Statements

Explanation of Differences between Governmental Funds Balance Sheet and the Statement of Net Assets

"Total fund balances" of the District's governmental funds in B-1 differs from "net assets" of governmental activities reported in the statement of net assets in A-1. This difference primarily results from the long - term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

	<u>Balance Sheet/Statement of Net Assets</u>			<u>Statement</u>
<u>Assets</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>	<u>Long - term</u> <u>Assets</u> <u>Liabilities (1)</u>	<u>Reclassifications</u> <u>and Eliminations</u>	<u>of Net</u> <u>Assets</u> <u>Totals</u>
Cash and cash equivalents	\$ 1,709,395.03	\$ -	\$ (422,356.84)	\$ 1,287,038.19
Receivables, net			1,025,875.12	1,025,875.12
Interfund Receivables	8,386.46		(8,230.15)	156.31
Receivables from Other Governments	1,025,125.12		(1,025,125.12)	-
Other Receivables	750.00		(750.00)	-
Restricted assets:				
Cash and cash equivalents			422,356.84	422,356.84
Capital Reserve Account - cash	1,202,640.44			1,202,640.44
Capital Assets, net	-	40,772,835.04	-	40,772,835.04
Total Assets	\$ 3,946,297.05	\$ 40,772,835.04	\$ (8,230.15)	\$ 44,710,901.94
 <u>Liabilities</u>				
Accounts Payable	\$ 66,099.73	\$ -	\$ -	\$ 66,099.73
Interfunds Payable	8,230.15		(8,230.15)	-
Payable to Federal Government	9,258.69			9,258.69
Payable to State Government	1.00			1.00
Bond Interest Payable			369,936.98	369,936.98
Deferred Revenue	19,284.16			19,284.16
Noncurrent Liabilities	-	19,498,157.71	1,319,030.67	20,817,188.38
Total Liabilities	102,873.73	19,498,157.71	1,680,737.50	21,281,768.94
 <u>Fund Balances/Net Assets</u>				
<u>Net Assets</u>				
Invested in capital assets, net of related debt		21,274,677.33		21,274,677.33
Restricted for:				
Capital projects	1,441,942.13			1,441,942.13
Debt Service	(0.43)		(369,936.98)	(369,937.41)
Other purposes	923,259.21			923,259.21
Unrestricted	1,478,222.41	-	(1,319,030.67)	159,191.74
Total Fund Balances/Net Assets	3,843,423.32	21,274,677.33	(1,688,967.65)	23,429,133.00
Total Liabilities and Fund Balances/Net Assets	\$ 3,946,297.05	\$ 40,772,835.04	\$ (8,230.15)	\$ 44,710,901.94

1. When Capital Assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the District as a whole.

Cost of capital assets	\$ 57,828,428.73
Accumulated depreciation	(17,055,593.69)
	<u>\$ 40,772,835.04</u>

Long - term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long - term are reported in the of net assets.

Serial Bonds	\$ 18,825,000.00
Capital Leases	673,157.71
Compensated Absences	1,319,030.67
	<u>\$ 20,817,188.38</u>

Adjustment to Debt Service Fund net assets for the accrual of interest expence.

\$ (369,936.98)

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010**

Note II: Reconciliation of Government Wide and Fund Financial Statements (Continued)

Explanation of Differences between Governmental Funds Operating Statement of Activities

The "net change in fund balances" for governmental funds in B-2 differs from the "change in net assets" for governmental activities reported in the statement of activities in A-2. The difference arise primarily for the long - term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Statement of Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities

Revenues and Other Sources	Total Governmental Funds	Long - term Revenue, Expenses (2)	Capital Related Items (3)	Long - term Debt Transactions (4)	Reclassifications and Eliminations (5)	Statement of Activities Totals
Local Tax Levy	\$ 46,524,374.06	\$ -	\$ -	\$ -	\$ -	\$ 46,524,374.06
Tuition Charges	290,224.01	-	-	-	-	290,224.01
Interest Earned on Investments	35,101.18	-	-	-	-	35,101.18
Miscellaneous	222,833.93	-	-	-	-	222,833.93
State Sources	4,735,543.68	-	-	-	-	4,735,543.68
Federal Sources	916,282.85	-	-	-	-	916,282.85
Total	\$ 52,724,359.71	\$ -	\$ -	\$ -	\$ -	\$ 52,724,359.71
Expenditures						
Current:						
Regular instruction	18,239,871.76	-	260,740.82	48,744.75	5,695,508.61	24,244,865.94
Special education	2,281,195.37	-	30,139.99	(183.75)	577,974.01	2,889,125.62
Other instruction	1,831,958.82	-	5,691.80	1,455.00	563,013.21	2,402,118.83
Support Services and undistributed costs:						
Tuition	2,696,602.43	-	-	-	-	2,696,602.43
Student and instruction related services	5,546,890.74	-	1,679.27	(31,810.00)	1,569,358.36	7,086,118.37
School administrative services	2,548,102.28	-	59,784.20	(6,532.50)	841,989.97	3,443,343.95
General and business administrative services	1,655,896.84	-	59,784.20	(30,120.00)	323,938.43	2,009,499.47
Plant operations and maintenance	3,687,408.61	-	329,149.98	5,221.81	750,962.37	4,772,742.77
Pupil transportation	1,538,055.24	-	-	-	40,269.17	1,578,324.41
Unallocated Benefits	10,380,273.96	-	-	-	(10,380,273.96)	-
Special Schools	53,527.68	-	-	-	17,259.83	70,787.51
Capital Outlay	1,113,103.78	-	(840,640.37)	(272,463.41)	-	-
Debt Service:						
Principal	1,085,000.00	-	-	(1,085,000.00)	-	-
Interest	920,108.97	(29,833.51)	-	-	-	890,275.46
Total	53,577,996.48	(29,833.51)	(93,670.11)	(1,370,688.10)	-	52,083,804.76
Other Financing Uses/Changes in Net Assets:						
Net Transfers to/(from) other funds	364.44	-	-	-	-	364.44
Total	364.44	-	-	-	-	364.44
Net Change for the Year	\$ (853,272.33)	\$ 29,833.51	\$ 93,670.11	\$ 1,370,688.10	\$ -	\$ 640,919.39

2. In the statement of activities, interest on long -term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliations. (-) \$ 29,833.51

3. Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount which capital outlays exceeded depreciation in the period.

Depreciation expense	\$ (746,970.26)
Capital outlays (exclusive of capital lease principal payments)	840,640.37
	<u>\$ 93,670.11</u>

3. Adjustment to Capital Assets in accordance with physical appraisal

3. In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-) \$ -

4. In the statement of activities, certain operating expenses, e.g. compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the differences is an addition to the reconciliation (+). \$ 13,224.69

Payment of long-term liability principal is an expenditure in the government funds, but the payment reduces long - term liabilities in the statement of net assets and is not reported in the statement of activities.

Debt principal	1,085,000.00
Capital lease principal	272,463.41
	<u>\$ 1,370,688.10</u>

4. Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities, issuing debt increases long - term liabilities in the statement of net assets.

Proceeds of long - term debt	\$ -
Capital lease proceeds	-
	<u>\$ -</u>

5. Allocate Benefits expenditures

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note III: Detailed Disclosure Regarding Assets and Revenues

A. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund, or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

N.J.S.A. 17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act. 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.

At June 30, 2011 the Northern Valley Regional High School District's cash and cash equivalent's amounted to \$9,005,371.16. Of this amount, \$515,000.00 was covered by federal depository insurance (F.D.I.C.) and \$8,490,371.16 was covered by a collateral pool maintained by the banks as required by GUDPA.

At June 30, 2011 the Northern Valley Regional High School District had no participation in the State of New Jersey Cash Management Fund.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Northern Valley Regional High School District will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

As of June 30, 2011, none of the Northern Valley Regional High School District's cash and cash equivalents of \$9,005,371.16 was exposed to custodial credit risk.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

A. Deposits and Investments (Continued)

Investments

New Jersey statutes (N.J.S.A. 18A:20-37) permit the Northern Valley Regional High School District to purchase the following types of securities:

a. When authorized by resolution adopted by a majority vote of all its members the board of education of any school district may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the school district;

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by school district;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) or
- (8) Agreements for the repurchase of fully collateralized securities, if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41) and for which a master repurchase agreement providing for the custody and security of collateral is executed.

The Northern Valley Regional High School District had no investments as described in Note I:G.1 at June 30, 2011.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

B. Interfund Receivables and Payables

As of June 30, 2011, interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 8,386.46	\$
Capital Projects Fund		8,230.15
Fiduciary Fund		156.31
	<u>\$ 8,386.46</u>	<u>\$ 8,386.46</u>

New Jersey statute requires that interest earned on the investments in capital projects fund be credited to the general fund or debt service based on Board resolution. In accordance with Board resolution, accrued interest as of June 30, 2011 in the amount of \$1,733.56 was transferred to the general fund.

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010**

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

C. Capital Assets

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

	Beginning Balance	Additions	Appraisal Report Adjustments	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,299,500.00	\$ -	\$ -	\$ 2,299,500.00
Construction in Progress	32,753,777.69	601,707.03	-	33,355,484.72
Total Capital assets not being depreciated	<u>35,053,277.69</u>	<u>601,707.03</u>	<u>-</u>	<u>35,654,984.72</u>
Land Improvements	6,435,205.36			6,435,205.36
Buildings and Improvements	13,124,605.31	39,389.61		13,163,994.92
Machinery and Equipment	2,374,700.00	199,543.73	-	2,574,243.73
Totals at historical cost	<u>21,934,510.67</u>	<u>238,933.34</u>	<u>-</u>	<u>22,173,444.01</u>
Less accumulated depreciation for:				
Land Improvements	(2,547,775.27)	(320,295.27)		(2,868,070.54)
Buildings and Improvements	(12,325,332.11)	(156,459.90)		(12,481,792.01)
Machinery and Equipment	(1,435,516.05)	(270,215.09)	-	(1,705,731.14)
Total accumulated depreciation	<u>(16,308,623.43)</u>	<u>(746,970.26)</u> (1)	<u>-</u>	<u>(17,055,593.69)</u>
Net capital assets being depreciated	<u>5,625,887.24</u>	<u>(508,036.92)</u>	<u>-</u>	<u>5,117,850.32</u>
Governmental activities capital assets, net	<u>\$ 40,679,164.93</u>	<u>\$ 93,670.11</u>	<u>\$ -</u>	<u>\$ 40,772,835.04</u>
Business - type activities:				
Equipment	\$ 99,419.51	\$ 39,392.78	\$ -	\$ 138,812.29
Less accumulated depreciation	<u>(62,964.61)</u>	<u>(12,331.44)</u>	<u>-</u>	<u>(75,296.05)</u>
Business - type activities capital assets, net	<u>\$ 36,454.90</u>	<u>\$ 27,061.34</u>	<u>\$ -</u>	<u>\$ 63,516.24</u>

(1) Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 260,740.82
Special Education	30,139.99
Other Instruction	5,691.80
Student and Instruction Related Services	1,679.27
School Administrative Services	59,784.20
General and Business Administrative Services	59,784.20
Plant Operations and Maintenance	<u>329,149.98</u>
	<u>\$ 746,970.26</u>

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010**

Note IV: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures

A. Operating Leases

The District has commitments to lease a vehicle, computers and copying equipment under operating leases which expire in August, 2015. Total operating lease payments made during the year ended June 30, 2011 were \$196,374.44. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2012	\$ 99,498.48
June 30, 2013	99,498.48
June 30, 2014	99,498.48
June 30, 2015	99,498.48
June 30, 2016	<u>16,583.08</u>
 Total future minimum lease payments	 <u>\$ 414,577.00</u>

B. Long - Term Liabilities

Long - Term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Accruals or Additions</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Long - Term debt:					
Serial Bonds	\$ 19,910,000.00	\$ -	\$ (1,085,000.00)	\$ 18,825,000.00	\$ 1,330,000.00
Total debt payable	<u>19,910,000.00</u>	<u>-</u>	<u>(1,085,000.00) (1)</u>	<u>18,825,000.00</u>	<u>1,330,000.00</u>
Other liabilities:					
Capital leases	945,621.12		(272,463.41)	673,157.71	277,360.34
Compensated absences:					
Governmental Funds	1,332,255.36	76,229.06	(89,453.75)	1,319,030.67	115,239.50
Proprietary Funds	<u>202,409.38</u>	<u>(18,063.75)</u>	<u>-</u>	<u>184,345.63</u>	<u>-</u>
Total other liabilities	<u>2,480,285.86</u>	<u>58,165.31</u>	<u>(361,917.16) (2)</u>	<u>2,176,534.01</u>	<u>392,599.84</u>
Governmental activities long - term liabilities	<u>\$ 22,390,285.86</u>	<u>\$ 58,165.31</u>	<u>\$ (1,446,917.16)</u>	<u>\$ 21,001,534.01</u>	<u>\$ 1,722,599.84</u>

- (1) Paid by debt service fund
(2) Paid by general fund

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note IV: Detailed Disclosure Regarding Liabilities and Expenses/Expenditures (Continued)

B. Long – Term Liabilities (Continued)

1. 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 Board are general obligation bonds.

Serial Bonds outstanding as of June 30, 2011 consisted of the following:

<u>Description</u>	<u>Interest</u> <u>Rate</u>	<u>Due</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Amount Issued</u>	<u>Amount</u> <u>Outstanding</u>
Refunding Bond 2/1/07	Various	2/1	2022	16,865,000.00	\$14,880,000.00
School Improvement 8/1/07	Various	8/1	2017	2,186,000.00	1,655,000.00
School Improvement 8/1/09	Various	8/1	2024	2,290,000.00	<u>2,290,000.00</u>
					<u>\$18,825,000.00</u>

Principal and interest due on serial bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,330,000.00	\$ 840,387.51	\$ 2,170,387.51
2013	1,400,000.00	777,368.76	2,177,368.76
2014	1,465,000.00	711,287.51	2,176,287.51
2015	1,540,000.00	642,296.88	2,182,296.88
2016	1,615,000.00	569,534.38	2,184,534.38
2017	1,700,000.00	493,140.63	2,193,140.63
2018	1,775,000.00	412,700.00	2,187,700.00
2019	1,700,000.00	339,456.25	2,039,456.25
2020	1,770,000.00	266,375.00	2,036,375.00
2021	1,850,000.00	189,587.50	2,039,587.50
2022	1,885,000.00	108,750.00	1,993,750.00
2023	255,000.00	26,062.50	281,062.50
2024	265,000.00	16,300.00	281,300.00
2025	275,000.00	5,500.00	280,500.00
	<u>\$ 18,825,000.00</u>	<u>\$ 5,398,746.92</u>	<u>\$ 24,223,749.92</u>

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note IV: Detailed Disclosure Regarding Liabilities and Expenses/Expenditures (Continued)

B. Long – Term Liabilities (Continued)

2. Temporary Notes

There were no Temporary Notes outstanding as of June 30, 2011.

3. Bonds Authorized But Not Issued

As of June 30, 2011 the Board had authorized but not issued bonds in the amount of \$1,083.00.

4. Capital Leases Payable

The District is leasing computer network upgrade equipment, artificial turf field and computer equipment totaling \$1,423,493.46 under capital leases. All capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2011.

<u>Year</u>	<u>Amount</u>
2012	\$287,001.80
2013	201,378.53
2014	<u>201,378.53</u>
Total minimum lease payments	689,758.86
Less: Amount representing interest	<u>16,601.15</u>
Present value of net minimum Lease payments	<u>\$673,157.71</u>

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note V: Detailed Disclosure Regarding Fund Equity

A. Capital Reserve Account

A capital reserve account was established by the Northern Valley Regional High School District Board of Education by inclusion of \$1,000.00 in October, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve is as follows:

Beginning balance, July 1, 2004	\$ 1,084.15
2004-2005 Interest earnings	19.40
2005-2006 Budgeted Surplus	500,000.00
2005-2006 Interest earnings	12,240.31
2006-2007 Budgeted Surplus	350,000.00
2006-2007 Interest Earnings	34,578.35
2007-2008 Budgeted Surplus	350,000.00
2007-2008 Interest Earnings	35,269.28
2008-2009 Investment Income	15,886.14
2008-2009 Resolution (Unreserved Fund Balance)	250,000.00
2008-2009 Transfer to Debt Service Fund	(259,993.00)
2009-2010 Budgeted Surplus	250,000.00
2009-2010 Resolution (Unreserved Fund Balance)	230,734.68
2009-2010 Investment Income	11,346.41
2009-2010 Transfer to Debt Service Fund	(150,865.00)
2009-2010 Expenditures	(201,379.00)
2010-2011 Resolution (Unreserved Fund Balance)	242,929.55
2010-2011 Investment Income	5,432.17
2010-2011 Transfer to Debt Service Fund	(273,379.00)
2010-2011 Expenditures	<u>(201,379.00)</u>
Ending Balance June 30, 2011	<u>\$1,202,640.44</u>

The June 30, 2011 LRFP balance of local support costs of uncompleted capital projects at June 30, 2011 is \$4,473,720.00.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note VI: Pension Plans

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a cost sharing plan with special funding situations as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The PERS is considered a cost sharing multiple-employer defined benefit plan.

The Public Employees' Retirement System (PERS) was established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

The Teachers' Pension and Annuity Fund (TPAF) was established in January 1955, under the provisions of N.J.S.A. 18:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

According to the state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement systems terminate. The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Retirement Benefits

For PERS and TPAF employees, the benefits will be 1/55 of the average of the three highest years compensation for each year of service. However, for PERS and TPAF who are veterans of the U.S. armed forces, the benefits will be 1/55 of final compensation for each year of service.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note VI: Pension Plans (Continued)

Significant Legislation

P.L. 2010, c.1, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

This new legislation changed the membership eligibility criteria for new members of TPAF and PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of TPAF and PERS to 1/60 from 1/55, and it provided that new members of TPAF and PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of TPAF and PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for Social Security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the prosecutor's part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time five years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in Fiscal Year 2012.

P.L. 2010, c.3, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the TPAF and PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Funding Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the aggregate funded ratio for the retirement systems (TPAF, PERS, PFRS, POPF, CPFPPF, JRS, and SPRS) is 66.0 percent with an unfunded actuarial accrued liability of \$45.8 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 62.0 percent and \$30.7 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 72.1 percent and \$15.1 billion.

The required supplementary information regarding the funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. The pension funds provide for employee contributions based on 5.5 percent for TPAF and 5.5 percent for PERS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of living adjustments and noncontributory death benefits in the TPAF and PERS. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note VI: Pension Plans (Continued)

Contribution Requirements (Continued)

During the state fiscal year ended June 30, 2010, for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, annual pension cost equals contributions made.

Contributions – Actual

The District's total payroll for the year ended June 30, 2011 was \$39,743,956.27 and covered payroll was \$26,870,250.00 for TPAF and \$8,204,070.00 for PERS. Contributions to the TPAF and the PERS for the years ended June 30, 2009, 2010 and 2011 made by the employees, the Board, and the State of New Jersey on behalf of the Board were as follows:

		TPAF	Percent of Covered Payroll	PERS	Percent of Covered Payroll
Employees	6/30/09	\$ 1,476,258.02	5.54%	\$ 432,725.45	5.62%
	6/30/10	1,436,659.89	5.51%	325,168.89	5.56%
	6/30/11	1,489,038.00	5.54%	457,039-.80	5.57%
Board of Education	6/30/09	N/A	N/A	357,184.00	4.64%
	6/30/10	N/A	N/A	459,644.00	7.54%
	6/30/11	N/A	N/A	634,126.08	7.73%
State of New Jersey	6/30/09	1,716,193.00	6.44%	N/A	N/A
	6/30/10	1,763,843.00	6.77%	N/A	N/A
	6/30/11	1,841,770.00	6.85%	N/A	N/A

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,948,430.46 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 and the State of New Jersey's Contribution to the TPAF have been included in the basic financial statements and the budgetary comparison schedule – General Fund as a revenue and expenditure in accordance with GASB 24.

Note VII: Post-Retirement Medical Benefits

P.L. 1987, c.384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, respectively, to fund post-retirement medical benefits for those employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. 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 receiving post-retirement medical benefits and the state contributed \$883.8 million on their behalf. 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note VII: Post-Retirement Medical Benefits (Continued)

The State is also responsible for the cost attributable to P.L. 1992 c.126 which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a 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 VIII: Risk Management

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

The following table is a summary of district contributions, employee contributions, reimbursements to the state for benefits paid and the ending balance of the district’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$ 41,143.56	\$ 70,133.15	\$ 141,763.68	\$ 16,561.97
2009-2010	-0-	67,858.71	229,681.80	46,967.73
2008-2009	-0-	92,092.09	121,092.90	208,298.86

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.

The District is a member of the New Jersey School Boards Association Insurance Fund (the “Fund”).

The Fund is both an insured and self-administered group of school districts established for the purpose of providing certain low-cost liability, workers’ compensation, health and medical insurance coverage for member school districts in order to keep local property taxes at a minimum. The District pays an annual assessment to the Fund and should it be determined that payments received by the Fund are deficient, additional assessments may be levied. Additionally, the Fund maintains a contract of excess insurance with a commercial reinsurer to secure the payment of benefits.

The District continues to carry commercial insurance coverage for accident insurance and health and medical insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note IX: Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), “Accounting for Compensated Absences”. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District’s personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after 15 years of service.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010

Note IX: Compensated Absences (Continued)

In the district-wide *Statement of Net Assets*, the liabilities whose average maturities are greater than one year are reported in two components – the amount due within one year and the amount due in more than one year.

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, a liability existed for compensated absences in the Regional Cooperative Program in the amount \$53,600.00, Teens and Tots in the amount of \$16,537.50, Regional Special Education in the amount of \$97,058.13 and Technical Services in the amount of \$17,150.00.

Note X: Contingent Liabilities

The Northern Valley Regional High School District is a defendant in several lawsuits, none of which is unusual for a Board of Education of its size. Additional liabilities, if not covered by insurance, should not be material in amount.

**REQUIRED SUPPLEMENTARY INFORMATION -
PART II**

Section C
BUDGETARY COMPARISON SCHEDULES

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>	
REVENUES:						
Local Sources:						
Local Tax Levy	\$ 44,885,134.00	\$ -	\$ 44,885,134.00	\$ 44,885,134.00	\$ -	
Tuition	305,296.00	-	305,296.00	290,224.01	(15,071.99)	
Interest Earned on Investments	295,000.00	-	295,000.00	27,935.45	(267,064.55)	
Interest Earned on Capital Reserve Funds	10,000.00	-	10,000.00	5,432.17	(4,567.83)	
Miscellaneous	<u>645,679.00</u>	-	<u>645,679.00</u>	<u>171,968.13</u>	<u>(473,710.87)</u>	
Total - Local Sources	<u>46,141,109.00</u>	-	<u>46,141,109.00</u>	<u>45,380,693.76</u>	<u>(760,415.24)</u>	
State Sources:						
Extraordinary Aid	608,000.00	-	608,000.00	578,801.00	(29,199.00)	
Non-Public Transportation Aid	-	-	-	18,188.22	18,188.22	
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	1,841,770.00	1,841,770.00	
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	<u>1,948,430.46</u>	<u>1,948,430.46</u>	
Total State Sources	<u>608,000.00</u>	-	<u>608,000.00</u>	<u>4,387,189.88</u>	<u>3,779,189.88</u>	
Total Revenues	<u>46,749,109.00</u>	-	<u>46,749,109.00</u>	<u>49,767,883.44</u>	<u>3,018,774.44</u>	
EXPENDITURES:						
Current Expense:						
Regular Programs - Instruction						
Grades 9-12 - Salaries of Teachers	140-100-101	16,012,015.00	196,042.84	16,208,057.84	16,204,836.30	3,221.34
Regular Programs - Home Instruction:						
Salaries of Teachers	150-100-101	61,150.00	56,326.50	117,478.50	117,478.50	-
Purchased Professional-Educational Services	150-100-320	8,500.00	3,466.00	11,966.00	9,691.00	2,275.00
Regular Programs - Undistributed Instruction						
Other Salaries for Instruction	190-100-106	-	38,393.00	38,393.00	38,393.00	-
Purchased Professional-Educational Services	190-100-320	-	5,606.07	5,606.07	5,606.07	-
Purchased Technical Services	190-100-340	56,000.00	(24,876.69)	31,123.31	31,022.31	101.00
Other Purchased Services (400-500 series)	190-100-500	400,232.00	31,712.88	431,944.88	431,222.80	722.08
General Supplies	190-100-610	822,546.00	383,430.00	1,205,976.00	1,038,898.65	167,077.35
Textbooks	190-100-640	94,272.00	(27,316.88)	66,955.12	65,369.17	1,585.95
Other Objects	190-100-800	53,000.00	14,380.00	67,380.00	67,380.00	-
TOTAL REGULAR PROGRAMS - INSTRUCTION		<u>17,507,715.00</u>	<u>677,183.52</u>	<u>18,184,878.52</u>	<u>18,004,289.73</u>	<u>180,588.79</u>
SPECIAL EDUCATION - INSTRUCTION						
Cognitive - Mild:						
Salaries of Teachers	201-100-101	-	107,115.52	107,115.52	95,619.47	11,496.05
Other Salaries for Instruction	201-100-106	-	81,186.00	61,186.00	61,184.80	1.20
Other Purchased Services (400-500 series)	201-100-500	-	29,000.00	29,000.00	25,172.82	3,827.18
General Supplies	201-100-610	-	14,969.69	14,969.69	14,072.56	897.13
Total Cognitive - Mild		-	<u>212,271.21</u>	<u>212,271.21</u>	<u>196,049.65</u>	<u>16,221.56</u>
Learning and/or Language Disabilities:						
Salaries of Teachers	204-100-101	64,353.00	705.88	65,058.88	64,745.56	313.32
Other Salaries for Instruction	204-100-106	62,054.00	1,241.20	63,295.20	63,295.20	-
General Supplies	204-100-610	10,000.00	100.00	10,100.00	9,032.84	1,067.16
Total Learning and/or Language Disabilities		<u>136,407.00</u>	<u>2,047.08</u>	<u>138,454.08</u>	<u>137,073.60</u>	<u>1,380.48</u>
Multiple Disabilities:						
Salaries of Teachers	212-100-101	147,943.00	4,773.00	152,716.00	152,716.00	-
Other Salaries for Instruction	212-100-106	8,993.00	(8,993.00)	-	-	-
Other Objects	212-100-800	5,570.00	-	5,570.00	5,099.72	470.28
Total Multiple Disabilities		<u>162,506.00</u>	<u>(4,220.00)</u>	<u>158,286.00</u>	<u>157,815.72</u>	<u>470.28</u>
Resource Room/Resource Center:						
Salaries of Teachers	213-100-101	1,223,843.00	(6,364.82)	1,217,478.18	1,217,478.18	-
General Supplies	213-100-610	7,500.00	1,000.00	8,500.00	7,923.60	576.40
Textbooks	213-100-640	3,200.00	-	3,200.00	2,871.80	328.20
Total Resource Room/Resource Center		<u>1,234,543.00</u>	<u>(5,364.82)</u>	<u>1,229,178.18</u>	<u>1,228,273.58</u>	<u>904.60</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION		<u>1,533,456.00</u>	<u>204,733.47</u>	<u>1,738,189.47</u>	<u>1,719,212.55</u>	<u>18,976.92</u>
Basic Skills/Remedial - Instruction						
Salaries of Teachers	230-100-101	79,924.00	(24,593.84)	55,330.16	55,330.16	-
Total Basic Skills/Remedial - Instruction		<u>79,924.00</u>	<u>(24,593.84)</u>	<u>55,330.16</u>	<u>55,330.16</u>	<u>-</u>
Bilingual Education - Instruction						
Salaries of Teachers	240-100-101	95,995.00	(95,995.00)	-	-	-
Total Bilingual Education - Instruction		<u>95,995.00</u>	<u>(95,995.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	401-100-100 \$ 381,198.00	\$ 4,838.62	\$ 386,036.62	\$ 383,936.62	\$ 2,100.00
Purchased Services (300-500 series)	401-100-500 14,966.00	(4,040.62)	10,925.38	3,969.00	6,956.38
Supplies and Materials	401-100-600 21,678.00	(813.75)	20,864.25	10,442.75	10,421.50
Other Objects	401-100-800 30,330.00	(800.00)	29,530.00	11,785.99	17,744.01
Total School-Spon. Cocurricular Actvts. - Inst.	<u>448,172.00</u>	<u>(815.75)</u>	<u>447,356.25</u>	<u>410,134.36</u>	<u>37,221.89</u>
School-Spon. Athletics - Instruction					
Salaries	402-100-100 1,329,880.00	(49,834.75)	1,280,045.25	1,182,723.21	97,322.04
Purchased Services (300-500 series)	402-100-500 13,400.00	6,165.86	19,565.86	10,345.86	9,220.00
Supplies and Materials	402-100-600 100,747.00	68,280.01	169,027.01	120,231.55	48,795.46
Other Objects	402-100-800 82,366.00	(16,711.33)	65,654.67	53,193.68	12,460.99
Total School-Spon. Athletics - Instruction	<u>1,526,393.00</u>	<u>7,899.79</u>	<u>1,534,292.79</u>	<u>1,366,494.30</u>	<u>167,798.49</u>
Total Instruction	<u>21,191,655.00</u>	<u>768,392.19</u>	<u>21,960,047.19</u>	<u>21,555,461.10</u>	<u>404,586.09</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	000-100-562 76,022.00	104,100.00	180,122.00	156,682.00	23,440.00
Tuition to County Voc. School Dist. - Regular	000-100-563 437,250.00	173,546.93	610,796.93	588,449.26	22,347.67
Tuition to County Voc. School Dist. - Special	000-100-564 66,700.00	-	66,700.00	-	66,700.00
Tuition to CSSD & Regional Day Schools	000-100-565 577,200.00	170,861.71	748,061.71	711,493.51	36,568.20
Tuition to Private Schools for the Disabled - Within State	000-100-566 1,861,298.00	(752,364.10)	1,108,933.90	797,643.18	311,290.72
Tuition to Priv. Sch. Disabled & Other LEAs-Spl, O/S	000-100-567 379,084.00	59,443.50	438,527.50	388,542.98	49,984.52
Tuition - Other	000-100-569 43,235.00	15,356.50	58,591.50	53,791.50	4,800.00
Total Undistributed Expenditures - Instruction:	<u>3,440,789.00</u>	<u>(229,055.46)</u>	<u>3,211,733.54</u>	<u>2,696,602.43</u>	<u>515,131.11</u>
Undistributed Expend. - Attend. & Social Work					
Salaries	000-211-100 122,038.00	(4,375.85)	117,662.15	117,662.14	0.01
Purchased Professional and Technical Services	000-211-300 1,823.98	-	1,823.98	-	1,823.98
Other Purchased Services (400-500 series)	000-211-500 1,500.00	-	1,500.00	276.33	1,223.67
Supplies and Materials	000-211-600 6,000.00	(1,999.96)	4,000.04	-	4,000.04
Total Undistributed Expend. - Attend. & Social Work	<u>129,538.00</u>	<u>(4,551.83)</u>	<u>124,986.17</u>	<u>117,938.47</u>	<u>7,047.70</u>
Undist. Expend. - Health Services					
Salaries	000-213-100 207,610.00	13,382.00	220,992.00	220,991.40	0.60
Purchased Professional and Technical Services	000-213-300 38,252.00	(4,706.00)	33,546.00	28,521.15	5,024.85
Other Purchased Services (400-500 series)	000-213-500 4,358.00	-	4,358.00	704.82	3,653.18
Supplies and Materials	000-213-600 6,700.00	1,510.17	8,210.17	3,181.49	5,028.68
Other Objects	000-213-800 -	11,400.00	11,400.00	11,245.00	155.00
Total Undistributed Expenditures - Health Services	<u>256,920.00</u>	<u>21,586.17</u>	<u>278,506.17</u>	<u>264,643.86</u>	<u>13,862.31</u>
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries of Other Professional Staff	000-217-100 156,954.00	28,740.80	185,694.80	180,653.80	5,041.00
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	<u>156,954.00</u>	<u>28,740.80</u>	<u>185,694.80</u>	<u>180,653.80</u>	<u>5,041.00</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	000-218-104 1,537,746.00	81,349.19	1,619,095.19	1,808,876.44	10,218.75
Salaries of Secretarial and Clerical Assistants	000-218-105 400,211.00	55,752.74	455,963.74	454,782.51	1,181.23
Other Purchased Services (400-500 series)	000-218-500 500.00	-	500.00	-	500.00
Supplies and Materials	000-218-600 27,500.00	(411.32)	27,088.68	5,653.34	21,435.34
Total Undist. Expend. - Guidance	<u>1,965,957.00</u>	<u>136,690.61</u>	<u>2,102,647.61</u>	<u>2,069,312.29</u>	<u>33,335.32</u>
Undist. Expend. - Child Study Team					
Salaries of Other Professional Staff	000-219-104 930,405.00	(14,656.81)	915,748.19	915,748.19	-
Salaries of Secretarial and Clerical Assistants	000-219-105 122,089.00	217.16	122,306.16	122,306.16	-
Other Salaries	000-219-110 354,397.00	1,801.77	356,198.77	347,123.90	9,074.87
Supplies and Materials	000-219-600 6,350.00	(244.00)	6,106.00	5,561.80	544.20
Other Objects	000-219-800 7,000.00	(2,000.00)	5,000.00	306.90	4,693.10
Total Undist. Expend. - Child Study Team	<u>1,420,241.00</u>	<u>(14,881.88)</u>	<u>1,405,359.12</u>	<u>1,391,046.95</u>	<u>14,312.17</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	000-221-102 142,321.00	46,666.04	188,987.04	188,986.64	0.40
Purchased Prof. Educational Services	000-221-320 286,739.00	80,019.50	366,758.50	343,399.66	23,358.84
Supplies and Materials	000-221-600 31,165.00	194.10	31,359.10	23,781.49	7,577.61
Other Objects	000-221-800 4,000.00	(457.00)	3,543.00	3,543.00	-
Total Undist. Expend. - Improvement of Inst. Serv.	<u>464,225.00</u>	<u>126,422.64</u>	<u>590,647.64</u>	<u>559,710.79</u>	<u>30,936.85</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	000-222-100 327,701.00	9,696.20	337,397.20	306,093.80	31,303.40
Purchased Professional and Technical Services	000-222-300 182,000.00	28,543.79	210,543.79	210,543.79	-
Other Purchased Services (400-500 series)	000-222-500 73,381.00	(37,621.78)	35,759.22	35,745.50	13.72
Supplies and Materials	000-222-600 123,509.00	(18,490.16)	105,018.84	99,702.38	5,316.46
Other Objects	000-222-800 7,660.00	(271.84)	7,388.16	3,483.53	3,904.63
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>714,251.00</u>	<u>(18,143.79)</u>	<u>696,107.21</u>	<u>655,569.00</u>	<u>40,538.21</u>
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Secretarial and Clerical Assist	000-223-105 45,843.00	1,781.54	47,624.54	47,624.34	0.20
Other Salaries	000-223-110 18,000.00	(7,670.22)	10,329.78	10,329.78	-
Purchased Professional - Educational Service	000-223-320 2,000.00	(1,329.78)	670.22	6.00	664.22
Other Purchased Prof. and Tech. Services	000-223-390 40,000.00	(40,000.00)	-	-	-
Other Purchased Services (400-500 series)	000-223-500 71,236.00	(9,215.85)	62,020.15	24,718.26	37,301.89
Total Undist. Expend. - Instructional Staff Training Serv.	<u>177,079.00</u>	<u>(56,434.31)</u>	<u>120,644.69</u>	<u>82,678.38</u>	<u>37,966.31</u>
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	000-230-100 420,258.00	(5,051.00)	415,207.00	402,537.72	12,669.28
Legal Services	000-230-331 82,500.00	(3,346.36)	79,153.64	67,812.02	11,341.62
Audit Fees	000-230-332 29,800.00	900.00	30,700.00	27,300.00	3,400.00
Other Purchased Professional Services	000-230-339 58,460.00	(5,585.64)	52,874.36	36,604.36	16,270.00
Communications/Telephone	000-230-530 92,100.00	6,839.04	98,939.04	81,934.61	17,004.43
Other Purchased Services (400-500 series)	000-230-590 258,500.00	(47,668.00)	210,832.00	197,044.87	13,787.13
General Supplies	000-230-610 73,920.00	(2,295.60)	71,624.40	56,871.45	14,752.95
Judgments Against the School District	000-230-820 65,000.00	(5,000.00)	60,000.00	60,000.00	-
Miscellaneous Expenditures	000-230-890 33,000.00	(17,399.30)	15,600.70	1,925.90	13,674.80
Total Undist. Expend. - Supp. Serv. - General Admin.	<u>1,113,538.00</u>	<u>(78,606.88)</u>	<u>1,034,931.14</u>	<u>872,030.93</u>	<u>162,900.21</u>

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.						
Salaries of Principals/Assistant Principals/Supervisors of Instruction	000-240-103	\$ 1,826,752.00	\$ (46,990.56)	\$ 1,579,761.44	\$ 1,578,295.34	\$ 1,466.10
Salaries of Other Professional Staff	000-240-104	485,877.00	(1,870.92)	484,206.08	484,206.00	0.08
Salaries of Secretarial and Clerical Assistants	000-240-105	248,834.00	115,107.98	363,941.98	363,195.44	746.54
Purchased Professional and Technical Services	000-240-300	3,415.00	(3,415.00)	-	-	-
Other Purchased Services (400-500 series)	000-240-500	21,753.00	44,484.15	66,237.15	64,390.15	1,847.00
Supplies and Materials	000-240-600	25,179.00	19,888.17	44,867.17	43,300.64	1,566.53
Other Objects	000-240-800	11,870.00	2,844.71	14,714.71	14,714.71	-
Total Undist. Expend. - Support Serv. - School Admin.		2,423,680.00	130,048.53	2,553,728.53	2,548,102.28	5,626.25
Undist. Expend. - Central Services						
Salaries	000-251-100	524,583.00	7,427.02	532,010.02	530,699.53	1,310.49
Purchased Technical Services	000-251-340	12,858.00	1,650.00	14,508.00	9,368.00	5,140.00
Miscellaneous Purchased Services (400-500 Series)	000-251-592	33,037.00	(4,507.28)	28,529.72	9,677.00	18,852.72
Supplies and Materials	000-251-600	31,820.00	(3,125.00)	28,695.00	20,737.30	7,957.70
Other Objects	000-251-890	23,202.00	3,125.00	26,327.00	8,360.00	17,967.00
Total Undist. Expend. - Central Services		625,500.00	4,569.74	630,069.74	576,841.83	51,227.91
Undist. Expend. - Admin. Info. Technology						
Purchased Technical Services	000-252-340	132,870.00	(33,022.08)	99,847.92	99,847.92	-
Other Purchased Services (400-500 series)	000-252-500	99,000.00	6,178.16	105,178.16	105,178.16	-
Total Undist. Expend. - Admin. Info. Technology		231,870.00	(26,845.92)	205,024.08	205,024.08	-
Undist. Expend. - Allowable Maint. For School Facilities						
Salaries	000-261-100	216,488.00	64,024.32	280,512.32	280,457.82	54.50
Cleaning, Repair and Maintenance Services	000-261-420	117,000.00	(67,742.50)	49,257.50	31,156.85	18,100.65
General Supplies	000-261-610	158,375.00	7,911.98	166,286.98	95,011.58	71,275.40
Total Undist. Expend. - Allowable Maint. For School Facilities		491,863.00	4,193.80	496,056.80	406,626.05	89,430.75
Undist. Expend. - Custodial Services						
Salaries	000-262-100	1,358,438.00	524,862.67	1,883,300.67	1,882,996.67	304.00
Purchased Professional and Technical Services	000-262-300	74,000.00	(48,035.19)	25,964.81	25,964.81	-
Cleaning, Repair and Maintenance Services	000-262-420	187,311.00	55,408.97	242,719.97	185,894.58	56,823.39
Other Purchased Property Services	000-262-490	134,850.00	38,328.76	173,178.76	157,802.43	15,376.33
Insurance	000-262-520	23,680.00	39,114.00	62,794.00	62,794.00	-
General Supplies	000-262-610	435,700.00	4,607.00	440,307.00	296,455.39	143,851.61
Energy (Natural Gas)	000-262-621	-	296,869.91	296,869.91	184,897.02	111,972.89
Energy (Electricity)	000-262-622	995,590.00	(450,034.58)	545,555.42	483,977.66	61,577.76
Total Undist. Expend. - Other Oper. & Maint. Of Plant		3,209,569.00	461,119.54	3,670,688.54	3,280,782.56	389,905.98
Undist. Expend. - Student Transportation Serv.						
Salaries for Pupil Trans. (Between Home & School) - Regular	000-270-160	133,637.00	(16,624.58)	117,012.42	116,011.82	1,000.60
Contracted Services (Between Home and School) - Vendors	000-270-511	356,476.00	62,701.20	419,177.20	419,177.20	-
Contracted Services (Other than Between Home and School) - Vendo	000-270-512	416,141.00	(38,335.04)	377,805.96	374,158.41	3,647.55
Contracted Services (Special Education Students) - Vendors	000-270-514	544,485.00	54,092.51	598,577.51	598,577.51	-
Contracted Services - Aid in Lieu of Payments	000-270-503	51,500.00	(21,369.70)	30,130.30	30,130.30	-
Total Undist. Expend. - Student Transportation Serv.		1,502,239.00	40,464.39	1,542,703.39	1,538,055.24	4,648.15
UNALLOCATED BENEFITS						
Social Security Contributions	000-291-220	585,340.00	3,347.37	588,687.37	586,687.37	2,000.00
Other Retirement Contributions - Regular	000-291-241	508,355.00	125,800.00	634,155.00	634,126.08	28.92
Other Retirement Contributions - DCRP	000-291-242	-	3,074.85	3,074.85	3,074.85	-
Unemployment Compensation	000-291-250	-	41,143.56	41,143.56	41,143.56	-
Workmen's Compensation	000-291-260	313,635.00	113,488.00	427,123.00	427,123.00	-
Health Benefits	000-291-270	5,911,604.00	(977,035.97)	4,934,568.03	4,857,897.29	76,670.74
Other Employee Benefits	000-291-290	74,050.00	(31,730.35)	42,319.65	17,512.35	24,807.30
TOTAL UNALLOCATED BENEFITS		7,392,984.00	(721,912.54)	6,671,071.46	6,569,564.50	101,506.96
On-behalf TPAF pension Contributions (non-budgeted)		-	-	-	1,841,770.00	(1,841,770.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)		-	-	-	1,948,430.46	(1,948,430.46)
TOTAL ON-BEHALF CONTRIBUTIONS		-	-	-	3,790,200.46	(3,790,200.46)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS		7,392,984.00	(721,912.54)	6,671,071.46	10,359,764.96	(3,688,693.50)
TOTAL UNDISTRIBUTED EXPENDITURES		25,717,197.00	(196,596.37)	25,520,600.63	27,807,383.90	(2,286,783.27)
TOTAL GENERAL CURRENT EXPENSE		46,908,852.00	571,795.82	47,480,647.82	49,362,845.00	(1,882,197.18)
CAPITAL OUTLAY						
Equipment						
Regular Programs - Instruction:						
Grades 9-12	140-100-730	85,624.00	53,061.57	138,685.57	134,638.57	4,047.00
Special Education - Instruction:						
Cognitive - Mild	201-100-730	-	49,056.56	49,056.56	48,431.56	625.00
Undistributed Expenditures - Custodial Services	000-262-730	40,000.00	-	40,000.00	-	40,000.00
Total Equipment		125,624.00	102,118.13	227,742.13	183,070.13	44,672.00
Facilities Acquisition and Construction Services						
Architectural/Engineering Services	000-400-334	-	-	-	-	-
Construction Services	000-400-450	154,800.00	(102,118.13)	52,681.87	39,389.81	13,292.06
Lease Purchase Agreements - Principal	000-400-721	201,379.00	71,084.41	272,463.41	272,463.41	-
Total Facilities Acquisition and Construction Services		356,179.00	(31,033.72)	325,145.28	311,853.02	13,292.26
TOTAL CAPITAL OUTLAY		481,803.00	71,084.41	552,887.41	494,923.15	57,964.26

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual	
SPECIAL SCHOOLS						
Summer School - Instruction	422-100-106	\$ 74,000.00	\$ -	\$ 74,000.00	\$ 49,724.00	\$ 24,276.00
Other Salaries for Instruction		2,000.00	-	2,000.00	-	2,000.00
General Supplies	422-100-610	76,000.00	-	76,000.00	49,724.00	26,276.00
Total Summer School - Instruction		<u>76,000.00</u>	<u>-</u>	<u>76,000.00</u>	<u>49,724.00</u>	<u>26,276.00</u>
Summer School - Support Services		5,980.00	-	5,980.00	3,803.68	2,176.32
Personal Services - Employee Benefits	422-200-200	5,980.00	-	5,980.00	3,803.68	2,176.32
Total Summer School - Support Services		<u>81,980.00</u>	<u>-</u>	<u>81,980.00</u>	<u>53,527.68</u>	<u>28,452.32</u>
Total Summer School		<u>81,980.00</u>	<u>-</u>	<u>81,980.00</u>	<u>53,527.68</u>	<u>28,452.32</u>
TOTAL SPECIAL SCHOOLS		<u>47,472,635.00</u>	<u>642,880.23</u>	<u>48,115,515.23</u>	<u>49,911,295.83</u>	<u>(1,795,780.60)</u>
TOTAL EXPENDITURES						
Excess (Deficiency) of Revenues Over (Under) Expenditures		(723,526.00)	(642,880.23)	(1,366,406.23)	(143,412.39)	1,222,993.84
Other Financing Sources (Uses):						
Operating Transfer In:						
Transfer from Capital Projects Fund			-		1,733.56	1,733.56
Transfer from Proprietary Funds			-		572.32	572.32
Transfer from Fiduciary Funds			-		(207.88)	(207.88)
Operating Transfer Out:						
Capital Reserve Account Transfer to Debt Service Fund		(273,264.00)	-	(273,264.00)	(273,264.00)	-
Total Other Financing Sources (Uses)		<u>(273,264.00)</u>	<u>-</u>	<u>(273,264.00)</u>	<u>(271,168.00)</u>	<u>2,098.00</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)		(996,790.00)	(642,880.23)	(1,639,670.23)	(414,578.39)	1,225,091.64
Fund Balance, July 1		<u>3,538,524.95</u>	<u>-</u>	<u>3,538,524.95</u>	<u>3,538,524.95</u>	<u>-</u>
Fund Balance, June 30		<u>\$ 2,541,734.95</u>	<u>\$ (642,880.23)</u>	<u>\$ 1,898,854.72</u>	<u>\$ 3,123,946.56</u>	<u>\$ 1,225,091.84</u>
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures and Other Financing Sources (Uses):						
Increase in Capital Reserve		\$ 10,000.00	\$ -	\$ 10,000.00	\$ 248,361.72	\$ 238,361.72
Withdrawal from Capital Reserve		(474,843.00)	-	(474,843.00)	(474,843.00)	-
Adjustment for Prior Year Encumbrances		(532,147.00)	(642,880.23)	(642,880.23)	(642,880.23)	-
Budgeted Fund Balance		<u>(532,147.00)</u>	<u>-</u>	<u>(532,147.00)</u>	<u>454,583.12</u>	<u>\$ 986,730.12</u>
Total		<u>\$ (996,790.00)</u>	<u>\$ (642,880.23)</u>	<u>\$ (1,639,670.23)</u>	<u>\$ (414,578.39)</u>	<u>\$ 1,225,091.84</u>
Analysis of Fund Balance June 30, 2011:						
Restricted Fund Balance:					\$ 1,202,640.44	
Capital Reserve Account						
Assigned Fund Balance:					443,083.71	
Year-end Encumbrances					532,147.00	
Designated for Subsequent Year's Expenditures					946,075.41	
Unassigned Fund Balance					<u>\$ 3,123,946.56</u>	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:						
Fund Balance June 30, 2011					\$ 3,123,946.56	
Last Two Current Year State Aid Payments Not Realized on GAAP Basis						
					<u>\$ 3,123,946.56</u>	

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2011

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance <u>Final to Actual</u>
REVENUES:					
State Sources	\$ 106,378.00	\$ (13,642.00)	\$ 92,736.00	\$ 92,736.00	\$ -
Federal Sources	690,895.00	237,110.72	928,005.72	916,282.85	11,722.87
Local Sources	-	83,495.38	83,495.38	50,865.80	32,629.58
Total Revenues	<u>\$ 797,273.00</u>	<u>\$ 306,964.10</u>	<u>\$ 1,104,237.10</u>	<u>\$ 1,059,884.65</u>	<u>\$ 44,352.45</u>
EXPENDITURES:					
Instruction					
Personal Services - Salaries	\$ 34,580.00	\$ 102,714.40	\$ 137,294.40	\$ 136,920.96	\$ 373.44
Purchased Professional and Technical Services		102,562.79	102,562.79	102,562.79	-
Other Purchased Services (400-500 series)	393,014.00	27,970.27	420,984.27	420,685.02	299.25
General Supplies	263,301.00	(147,282.16)	116,018.84	110,226.08	5,792.76
Textbooks	27,773.00	(603.00)	27,170.00	27,170.00	-
Total Instruction	<u>718,668.00</u>	<u>85,362.30</u>	<u>804,030.30</u>	<u>797,564.85</u>	<u>6,465.45</u>
Support Services					
Personal Services - Employee Benefits		20,509.00	20,509.00	20,509.00	-
Purchased Professional and Technical Services	32,875.00	(682.00)	32,193.00	32,193.00	-
Purchased Professional - Educational Services	45,730.00	64,840.53	110,570.53	110,090.25	480.28
Purchased Property Services		81,710.59	81,710.59	50,068.57	31,642.02
Other Purchased Services (400-500 series)		15,593.00	15,593.00	13,610.90	1,982.10
Supplies and Materials		7,177.48	7,177.48	7,177.48	-
Other Objects	-	12,197.00	12,197.00	12,197.00	-
Total Support Services	<u>78,605.00</u>	<u>201,345.60</u>	<u>279,950.60</u>	<u>245,846.20</u>	<u>34,104.40</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		19,656.20	19,656.20	15,873.60	3,782.60
Noninstructional Equipment		600.00	600.00	600.00	-
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>20,256.20</u>	<u>20,256.20</u>	<u>16,473.60</u>	<u>3,782.60</u>
Total Expenditures	<u>797,273.00</u>	<u>306,964.10</u>	<u>1,104,237.10</u>	<u>1,059,884.65</u>	<u>44,352.45</u>
Total Outflows	<u>\$ 797,273.00</u>	<u>\$ 306,964.10</u>	<u>\$ 1,104,237.10</u>	<u>\$ 1,059,884.65</u>	<u>\$ 44,352.45</u>

**NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION**

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2011**

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

	<u>Exhibit</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1&C-2]	\$ 49,769,981.44	\$ 1,059,884.65
Difference - budget to GAAP:			
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense in accordance with GASB 33.		163,013.00	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-	-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 49,932,994.44</u>	<u>\$ 1,059,884.65</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1&C-2]	\$ 49,911,295.83	\$ 1,059,884.65
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>\$ 49,911,295.83</u>	<u>\$ 1,059,884.65</u>

OTHER SUPPLEMENTARY INFORMATION

Section D
SCHOOL LEVEL SCHEDULES

Section E
SPECIAL REVENUE FUND

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011**

	<u>Total</u>	<u>State Aid</u>	<u>Federal Aid</u>	<u>Local Aid</u>
REVENUES				
State Sources	\$ 92,736.00	\$ 92,736.00	\$ -	\$ -
Federal Sources	916,282.85	-	916,282.85	
Local Sources	<u>50,865.80</u>	<u>-</u>	<u>-</u>	<u>50,865.80</u>
Total Revenues	<u>\$ 1,059,884.65</u>	<u>\$ 92,736.00</u>	<u>\$ 916,282.85</u>	<u>\$ 50,865.80</u>
EXPENDITURES:				
Instruction:				
Personal Services - Salaries	100-100	\$ 136,920.96	\$ -	\$ 136,920.96
Purchased Professional and Technical Services	100-300	102,562.79	-	102,562.79
Other Purchased Services (400-500 series)	100-500	420,685.02	-	420,685.02
General Supplies	100-610	110,226.08	-	109,428.85
Textbooks	100-640	<u>27,170.00</u>	<u>27,170.00</u>	<u>-</u>
Total Instruction		<u>797,564.85</u>	<u>27,170.00</u>	<u>769,597.62</u>
Support Services:				
Personal Services - Employee Benefits	200-200	20,509.00	-	20,509.00
Purchased Professional and Technical Services	200-300	32,193.00	32,193.00	-
Purchased Professional - Educational Services	200-320	110,090.25	33,373.00	76,717.25
Purchased Property Services	200-400	50,068.57	-	-
Other Purchased Services (400-500 series)	200-500	13,610.90	-	13,610.90
Supplies and Materials	200-600	7,177.48	-	7,177.48
Other Objects	200-800	<u>12,197.00</u>	<u>-</u>	<u>12,197.00</u>
Total Support Services		<u>245,846.20</u>	<u>65,566.00</u>	<u>130,211.63</u>
Facilities Acquisition and Const. Serv.:				
Instructional Equipment	400-731	15,873.60	-	15,873.60
Noninstructional Equipment	400-732	<u>600.00</u>	<u>-</u>	<u>600.00</u>
Total Facilities Acquisition and Const. Serv.		<u>16,473.60</u>	<u>-</u>	<u>16,473.60</u>
Total Expenditures		<u>\$ 1,059,884.65</u>	<u>\$ 92,736.00</u>	<u>\$ 916,282.85</u>
			<u>\$ 50,865.80</u>	

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of State Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Auxiliary Services	N.J. Nonpublic Handicapped Services	N.J. Nonpublic Nursing Services
REVENUES				
State Sources	\$ 27,170.00	\$ 18,944.00	\$ 14,429.00	\$ 32,193.00
Total State Revenues	\$ 27,170.00	\$ 18,944.00	\$ 14,429.00	\$ 32,193.00
EXPENDITURES:				
Instruction:				
Textbooks	\$ 27,170.00	\$ -	\$ -	\$ -
Total Instruction	\$ 27,170.00	\$ -	\$ -	\$ -
Support Services:				
Purchased Professional and Technical Services	32,193.00	-	-	32,193.00
Purchased Professional - Educational Services	33,373.00	18,944.00	14,429.00	-
Total Support Services	\$ 65,566.00	\$ 18,944.00	\$ 14,429.00	\$ 32,193.00
Total Expenditures	\$ 27,170.00	\$ 18,944.00	\$ 14,429.00	\$ 32,193.00

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Federal Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	Total	E.S.E.A.		I.D.E.A. Part B Basic	ARRA I.D.E.A. Part B Basic
		Title I	Title II		
REVENUES					
Federal Sources	\$ 916,282.85	\$ 41,604.00	\$ 170,686.12	\$ 507,862.02	\$ 89,390.13
Total Federal Revenues	\$ 916,282.85	\$ 41,604.00	\$ 170,686.12	\$ 507,862.02	\$ 89,390.13
EXPENDITURES:					
Instruction:					
100-100 Personal Services - Salaries	\$ 136,920.96	\$ 31,100.00	\$ 71,116.00	\$ 4,344.00	\$ 30,360.96
100-300 Purchased Professional and Technical Services	102,562.79			87,177.00	15,385.79
100-500 Other Purchased Services (400-500 series)	420,685.02			420,685.02	
100-610 General Supplies	109,428.85		2,154.22	-	8,374.05
Total Instruction	<u>769,597.62</u>	<u>31,100.00</u>	<u>73,270.22</u>	<u>507,862.02</u>	<u>54,120.80</u>
Support Services:					
200-200 Personal Services - Employee Benefits	20,509.00	6,220.00	10,800.00		3,489.00
200-320 Purchased Professional - Educational Services	76,717.25		68,588.00		8,129.25
200-400 Purchased Property Services	-				
200-500 Other Purchased Services (400-500 series)	13,610.90	3,310.00	10,300.90		7,177.48
200-600 Supplies and Materials	7,177.48				
200-800 Other Objects	12,197.00	974.00	7,727.00		
Total Support Services	<u>130,211.63</u>	<u>10,504.00</u>	<u>97,415.90</u>	<u>3,496.00</u>	<u>18,795.73</u>
Facilities Acquisition and Const. Serv.:					
400-731 Instructional Equipment	15,873.60				15,873.60
400-732 Noninstructional Equipment	600.00				600.00
Total Facilities Acquisition and Const. Serv.	<u>16,473.60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,473.60</u>
Total Expenditures	\$ 916,282.85	\$ 41,604.00	\$ 170,686.12	\$ 507,862.02	\$ 89,390.13

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Local Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011**

		<u>Total</u>	<u>Donations</u>	<u>NJSBAIG Safety Grant</u>	<u>Project Graduation</u>	<u>MSG Grant</u>	<u>JUSFC Grant Japanese</u>
REVENUES							
Local Sources		\$ 50,865.80	\$ 15,862.59	\$ 26,377.00	\$ 6,828.98	\$ 1,000.00	\$ 797.23
Total Local Revenues		<u>\$ 50,865.80</u>	<u>\$ 15,862.59</u>	<u>\$ 26,377.00</u>	<u>\$ 6,828.98</u>	<u>\$ 1,000.00</u>	<u>\$ 797.23</u>
EXPENDITURES:							
Instruction:							
General Supplies	100-610	\$ 797.23	\$ -	\$ -	\$ -	\$ -	\$ 797.23
Total Instruction		<u>797.23</u>					<u>797.23</u>
Support Services:							
Purchased Property Services	200-400	50,068.57	15,862.59	26,377.00	6,828.98	1,000.00	
Total Support Services		<u>50,068.57</u>	<u>15,862.59</u>	<u>26,377.00</u>	<u>6,828.98</u>	<u>1,000.00</u>	<u>-</u>
Total Expenditures		<u>\$ 50,865.80</u>	<u>\$ 15,862.59</u>	<u>\$ 26,377.00</u>	<u>\$ 6,828.98</u>	<u>\$ 1,000.00</u>	<u>\$ 797.23</u>

Section F
CAPITAL PROJECTS FUND

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2011**

<u>Project Title/Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriations 6/30/11</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Various Improvements to Demarest High School	9/25/01	\$ 14,594,832.52	\$ 14,520,647.25	\$ -	\$ 74,185.27
Various Improvements to Old Tappan High School	9/25/01	13,917,966.59	13,785,863.61	37,834.94	94,268.04
Improvements to Schools	4/17/07	2,186,000.00	2,037,563.84	-	148,436.16
Improvements to Schools	4/21/09	3,816,755.00	2,850,295.19	563,872.09	402,587.72
Totals		\$ 34,515,554.11	\$ 33,194,369.89	\$ 601,707.03	\$ 719,477.19

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2011**

REVENUES AND OTHER FINANCING SOURCES

State Sources - SCC Grant	\$ -
Bond Proceeds	-
Contribution from private sources	-
Transfer from capital reserve	-
Transfer from capital outlay	-
Total Revenues	<u>-</u>

EXPENDITURES AND OTHER FINANCING USES

Equipment (73X)	-
Salaries (100)	-
Legal Services (331)	-
Other Purchased Professional and Technical Services (390)	86,835.71
Construction Services (450)	514,371.32
General Supplies (610)	-
Land and Improvements (710)	-
Lease Purchase Agreements - Principal (721)	-
Buildings other than Lease Purchase Agreements - Principal (722)	-
Other Objects (800)	500.00
Total Expenditures	<u>601,707.03</u>

Excess (deficiency) of revenues over (under) expenditures	(601,707.03)
Fund Balance - July 1	<u>1,321,184.22</u>
Fund Balance - June 30	<u>\$ 719,477.19</u>

Exhibit F-2a

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Various Improvements to Demarest High School
From Inception and 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	\$ 3,467,522.93	\$ -	\$ 3,467,522.93	\$ 3,467,522.93
Bond Proceeds	11,127,309.59		11,127,309.59	11,127,637.59
Contribution from private sources			-	
Transfer from capital reserve			-	
Transfer from capital outlay			-	
Total Revenues	<u>14,594,832.52</u>	<u>-</u>	<u>14,594,832.52</u>	<u>14,595,160.52</u>
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)				
Salaries (100)	637,570.37		637,570.37	350,000.00
Legal Services (331)	-		-	
Other Purchased Professional and Technical Services (390)	1,394,226.49		1,394,226.49	1,600,000.00
Construction Services (450)	9,648,048.29		9,648,048.29	9,985,160.52
General Supplies (610)	139,318.28		139,318.28	150,000.00
Land and Improvements (710)	2,691,527.37		2,691,527.37	2,500,000.00
Lease Purchase Agreements - Principal (721)	-		-	
Buildings other than Lease Purchase Agreements - Principal (722)	-		-	
Other Objects (800)	9,956.45	-	9,956.45	10,000.00
Total Expenditures	<u>14,520,647.25</u>	<u>-</u>	<u>14,520,647.25</u>	<u>14,595,160.52</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 74,185.27</u>	<u>\$ -</u>	<u>\$ 74,185.27</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	SP202013			
Grant Date	9/6/02			
Bond Authorization Date	9/25/01			
Bonds Authorized	\$ 11,811,328.00			
Bonds Issued	\$ 11,811,000.00			
Original Authorized Cost	\$ 15,278,850.93			
Additional Authorized Cost	\$ (683,690.41)			
Revised Authorized Cost	\$ 14,595,160.52			
Percentage Increase over Original Authorized Cost	-4.47%			
Percentage Completed	99.49%			
Original Target Completion Date	9/1/05			
Revised Target Completion Date	9/1/06			

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Various Improvements to Old Tappan High School
From Inception and 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	\$ 3,078,657.00	\$ -	\$ 3,078,657.00	\$ 3,078,657.00
Bond Proceeds	10,839,309.59		10,839,309.59	10,839,801.59
Contribution from private sources			-	
Transfer from capital reserve	-		-	
Transfer from capital outlay	-		-	
Total Revenues	<u>13,917,966.59</u>	<u>-</u>	<u>13,917,966.59</u>	<u>13,918,458.59</u>
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)	468,771.05		468,771.05	250,000.00
Salaries (100)	-		-	
Legal Services (331)	-		-	
Other Purchased Professional and Technical Services (390)	1,206,551.19	7,503.69	1,214,054.88	1,250,000.00
Construction Services (450)	9,585,051.68	29,831.25	9,614,882.93	9,758,458.59
General Supplies (610)	138,418.18		138,418.18	150,000.00
Land and Improvements (710)	2,378,507.19		2,378,507.19	2,500,000.00
Lease Purchase Agreements - Principal (721)	-		-	
Buildings other than Lease Purchase Agreements - Principal (722)	-		-	
Other Objects (800)	8,564.32	500.00	9,064.32	10,000.00
Total Expenditures	<u>13,785,863.61</u>	<u>37,834.94</u>	<u>13,823,698.55</u>	<u>13,918,458.59</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 132,102.98</u>	<u>\$ (37,834.94)</u>	<u>\$ 94,268.04</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	SP202012			
Grant Date	9/6/02			
Bond Authorization Date	9/25/01			
Bonds Authorized	\$ 11,523,492.00			
Bonds Issued	\$ 11,523,000.00			
Original Authorized Cost	\$ 14,602,149.00			
Additional Authorized Cost	\$ (683,690.41)			
Revised Authorized Cost	\$ 13,918,458.59			
Percentage Increase over Original Authorized Cost	-4.68%			
Percentage Completed	99.32%			
Original Target Completion Date	9/1/05			
Revised Target Completion Date	9/1/06			

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Improvements to Schools
From Inception and 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	2,186,000.00	-	2,186,000.00	2,186,130.00
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total Revenues	<u>2,186,000.00</u>	<u>-</u>	<u>2,186,000.00</u>	<u>2,186,130.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)	878,662.74	-	878,662.74	900,000.00
Salaries (100)	-	-	-	-
Legal Services (331)	-	-	-	-
Other Purchased Professional and Technical Services (390)	150,114.50	-	150,114.50	175,000.00
Construction Services (450)	1,008,786.60	-	1,008,786.60	1,111,130.00
General Supplies (610)	-	-	-	-
Land and Improvements (710)	-	-	-	-
Lease Purchase Agreements - Principal (721)	-	-	-	-
Buildings other than Lease Purchase Agreements - Principal (722)	-	-	-	-
Other Objects (800)	-	-	-	-
Total Expenditures	<u>2,037,563.84</u>	<u>-</u>	<u>2,037,563.84</u>	<u>2,186,130.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 148,436.16</u>	<u>\$ -</u>	<u>\$ 148,436.16</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	4/17/07			
Bonds Authorized	\$ 2,186,130.00			
Bonds Issued	\$ 2,186,000.00			
Original Authorized Cost	\$ 2,186,130.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,186,130.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	93.20%			
Original Target Completion Date	12/1/07			
Revised Target Completion Date	12/1/07			

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Improvements to Schools
From Inception and 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 - SDA Grant	\$ 1,526,755.00	\$ -	\$ 1,526,755.00	\$ 1,526,755.00
Bond Proceeds	2,290,000.00		2,290,000.00	2,290,133.00
Contribution from private sources			-	
Transfer from capital reserve			-	
Transfer from capital outlay	-	-	-	-
Total Revenues	<u>3,816,755.00</u>	<u>-</u>	<u>3,816,755.00</u>	<u>3,816,888.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)	416,559.68	79,332.02	495,891.70	657,147.00
Construction Services (450)	2,433,735.51	484,540.07	2,918,275.58	3,159,741.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	<u>2,850,295.19</u>	<u>563,872.09</u>	<u>3,414,167.28</u>	<u>3,816,888.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 966,459.81</u>	<u>\$ (563,872.09)</u>	<u>\$ 402,587.72</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	SP3710-050-09-0KAU			
Project Number	SP3710-050-09-0KAV			
Project Number	SP3710-060-09-0KAW			
Project Number	SP3710-060-09-0KAX			
Grant Date	5/26/09			
Bond Authorization Date	4/21/09			
Bonds Authorized	\$ 2,290,133.00			
Bonds Issued	\$ 2,290,000.00			
Original Authorized Cost	\$ 3,816,888.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 3,816,888.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	89.45%			
Original Target Completion Date	10/1/10			
Revised Target Completion Date	10/1/10			

Section G
PROPRIETARY FUNDS

ENTERPRISE FUND

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Net Assets
Proprietary Funds
June 30, 2011**

**Business-Type Activities -
Enterprise Funds**

	Non-Major Programs				Major Programs				Totals			
	Food Service	Wee Tots	Swimming	Ice Hockey	SAT Classes	Non-Major Programs	Technical Services	Teens and Totals		Regional Cooperative Program	Regional Transportation	Regional Special Education
ASSETS												
Current Assets:												
Cash and cash equivalents	\$ 62,330.17	\$ 225,774.04	\$ 40,114.27	\$ 208.75	\$ 33,124.77	\$ 361,552.00	\$ 274,643.22	\$ 39,767.32	\$ 246,415.68	\$ (110,776.70)	\$ 1,285,566.34	\$ 2,097,167.86
Other receivables	29,220.15	17,730.00	5,683.00	4,892.00	-	57,525.15	146,181.53	-	2,000.00	327,049.75	648,884.34	1,182,640.77
Inventories	5,313.75	-	-	-	-	5,313.75	-	-	-	-	-	5,313.75
Total Current Assets	96,864.07	243,504.04	45,797.27	5,100.75	33,124.77	424,390.90	420,824.75	39,767.32	248,415.68	216,273.05	1,935,450.68	3,285,122.38
Noncurrent assets:												
Furniture, machinery and equipment	4,295.00	-	-	-	-	4,295.00	-	-	-	-	134,517.29	138,812.29
Less accumulated depreciation	(1,227.14)	-	-	-	-	(1,227.14)	-	-	-	-	(74,068.91)	(75,296.05)
Total Noncurrent Assets	3,067.86	-	-	-	-	3,067.86	-	-	-	-	60,448.38	63,516.24
Total Assets	99,931.93	243,504.04	45,797.27	5,100.75	33,124.77	427,458.76	420,824.75	39,767.32	248,415.68	216,273.05	1,995,899.06	3,348,638.62
LIABILITIES												
Current Liabilities:												
Accounts payable	5,139.82	213,470.00	-	-	12.12	218,621.94	895,026.11	658.38	1,279.20	140.41	11,012.45	1,126,738.49
Deferred revenue	3,521.11	2,300.00	-	-	-	5,821.11	-	24,847.00	5,200.00	-	-	35,868.11
Total Current Liabilities	8,660.93	215,770.00	-	-	12.12	224,443.05	895,026.11	25,505.38	6,479.20	140.41	11,012.45	1,162,606.60
Noncurrent Liabilities:												
Compensated absences	-	-	-	-	-	-	17,150.00	16,537.50	53,600.00	-	97,058.13	184,345.63
Total Noncurrent Liabilities	-	-	-	-	-	-	17,150.00	16,537.50	53,600.00	-	97,058.13	184,345.63
Total Liabilities	8,660.93	215,770.00	-	-	12.12	224,443.05	912,176.11	42,042.88	60,079.20	140.41	108,070.58	1,346,952.23
NET ASSETS												
Invested in capital assets, net of related debt	3,067.86	27,734.04	45,797.27	5,100.75	33,112.65	199,947.85	(491,351.36)	(2,275.56)	188,336.48	216,132.64	60,448.38	63,516.24
Unrestricted	86,203.14	215,765.00	45,797.27	5,100.75	33,112.65	199,947.85	(491,351.36)	(2,275.56)	188,336.48	216,132.64	1,827,380.10	1,938,170.15
Total Net Assets	\$ 91,271.00	\$ 27,734.04	\$ 45,797.27	\$ 5,100.75	\$ 33,112.65	\$ 203,015.71	\$ (491,351.36)	\$ (2,275.56)	\$ 188,336.48	\$ 216,132.64	\$ 1,887,828.48	\$ 2,001,686.39

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011**

**Business-Type Activities -
Enterprise Funds**

	Non-Major Programs					Major Programs					Totals	
	Food Service	Wee Tots	Swimming	Ice Hockey	SAI Classes	Total Non-Major Programs	Technical Services	Teens and Totals	Regional Cooperative Program	Regional Transportation		Regional Special Education
Operating Revenues:												
Charges for services:	\$ 868,062.42	\$ -	\$ -	\$ -	\$ -	\$ 868,062.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Daily sales - non-reimbursable programs	56,956.34					56,956.34						
Special functions												
Program fees	219,385.00	25,332.00	39,600.00	52,175.00	52,175.00	336,492.00	2,115,440.70	295,237.48	966,349.20	1,697,411.31	12,523,805.70	16,237,325.08
Transportation fees from other LEA's within the state												1,697,411.31
Total Operating Revenues	925,018.76	219,385.00	25,332.00	39,600.00	52,175.00	1,261,510.76	2,115,440.70	295,237.48	966,349.20	1,697,411.31	12,523,805.70	18,859,755.15
Operating Expenses:												
Cost of sales	389,163.15					389,163.15						
Salaries	305,528.51					305,528.51	473,673.57	275,918.24	512,099.00		8,231,106.29	9,856,943.31
Employee benefits	65,890.72					65,890.72	35,728.43	8,758.22	146,029.85		2,745,493.44	3,007,464.69
Other purchased professional services	47,843.45					47,843.45			151,259.00		268,951.64	468,054.09
Rentals		204,320.00	17,280.00	17,405.00		239,005.00	2,125.00		24,480.53	1,687,902.08	95,100.69	1,326,423.71
Other purchased services	61,291.14					61,291.14	1,010,735.67	2,212.79	24,227.75		30,264.78	1,868,774.44
Maintenance				20,242.50	994.57	64,492.09	1,069,381.28				78,056.28	1,041,000.45
General supplies	43,255.02					43,255.02					11,717.87	1,238,370.19
Depreciation	613.57					613.57						12,331.44
Total Operating Expenses	913,585.56	204,320.00	17,280.00	37,647.50	65,176.30	1,238,009.36	2,589,518.95	286,889.25	860,221.13	1,687,902.08	12,545,984.70	19,208,525.47
Operating Income (Loss)	11,433.20	15,065.00	8,052.00	1,952.50	(13,001.30)	23,501.40	(474,078.25)	8,348.23	106,128.07	9,508.23	(22,179.00)	(348,770.32)
Nonoperating Revenues (Expenses):												
Refund of prior year revenue											8,295.51	8,295.51
Interest and investment revenue											8,295.51	8,295.51
Total Nonoperating Revenues (Expenses)											(13,883.49)	(340,474.81)
Transfers in (out)	11,433.20	15,065.00	8,052.00	1,952.50	(13,001.30)	23,501.40	(474,078.25)	8,348.23	106,128.07	9,508.23	(13,883.49)	(340,474.81)
Change in net assets	79,837.80	12,669.04	37,745.27	3,148.25	46,113.95	179,514.31	(17,273.11)	(10,623.79)	82,208.41	206,623.41	1,901,711.97	2,342,161.20
Total Net Assets—Beginning	\$ 91,271.00	\$ 27,734.04	\$ 45,797.27	\$ 5,100.75	\$ 33,112.65	\$ 203,015.71	\$ (491,351.36)	\$ (2,275.56)	\$ 188,336.48	\$ 216,132.64	\$ 1,887,828.48	\$ 2,001,686.39
Total Net Assets—Ending												

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

Business-type Activities -
Enterprise Funds

	Non-Major Programs					Major Programs					Totals	
	Food Service	Whee Toys	Swimming	Ice Hockey	SAI Classes	Non-Major Programs	Technical Services	Teens and Job	Cooperative Program	Regional Transportation		Regional Special Education
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from customers	\$ 906,996.13	\$ 214,270.00	\$ 25,057.00	\$ 38,300.00	\$ 52,175.00	\$ 1,238,796.13	\$ 2,076,908.85	\$ 293,450.50	\$ 1,002,015.70	\$ 2,434,665.78	\$ 12,391,071.87	\$ 19,436,930.93
Payments to customers	(305,528.51)	-	-	-	(58,617.70)	(384,146.21)	(474,873.57)	(274,343.24)	(520,224.00)	-	(8,241,420.04)	(9,875,007.06)
Payments for employee benefits	(65,890.72)	-	-	-	(5,584.03)	(71,454.75)	(85,728.43)	(8,758.22)	(146,029.85)	-	(2,745,483.44)	(3,007,484.69)
Payments to suppliers	(609,970.64)	(116,228.50)	(17,280.00)	(37,647.50)	(882.45)	(781,109.09)	(1,316,382.29)	(4,015.04)	(200,813.06)	(1,087,761.87)	(1,593,530.19)	(5,553,811.36)
Net cash provided by (used for) operating activities	(71,393.74)	96,041.50	7,777.00	652.50	(12,989.18)	22,088.08	249,924.66	6,334.00	134,948.77	746,924.11	(159,371.80)	1,000,647.82
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES												
Purchases of capital assets	-	-	-	-	-	-	-	-	-	-	(39,392.78)	(39,392.78)
Net cash provided by (used for) capital and related financing activities	-	-	-	-	-	-	-	-	-	-	(39,392.78)	(39,392.78)
CASH FLOWS FROM INVESTING ACTIVITIES												
Interest and dividends	-	-	-	-	-	-	-	-	-	-	8,295.51	8,295.51
Net cash provided by (used for) investing activities	-	-	-	-	-	-	-	-	-	-	8,295.51	8,295.51
Net increase (decrease) in cash and cash equivalents	(71,393.74)	96,041.50	7,777.00	652.50	(12,989.18)	22,088.08	249,924.66	6,334.00	134,948.77	746,924.11	(190,469.07)	869,750.55
Balances—beginning of year	133,723.81	127,732.54	32,337.27	(443.75)	46,113.95	339,483.92	24,716.56	33,433.32	111,466.91	(857,700.81)	1,476,035.41	1,127,417.31
Balances—end of year	\$ 62,330.17	\$ 225,774.04	\$ 40,114.27	\$ 208.75	\$ 33,124.77	\$ 361,552.00	\$ 274,643.22	\$ 39,767.32	\$ 246,415.68	\$ (110,776.70)	\$ 1,285,566.34	\$ 2,097,167.86
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:												
Operating income (loss)	\$ 11,433.20	\$ 15,065.00	\$ 8,052.00	\$ 1,952.50	\$ (13,001.30)	\$ 23,501.40	\$ (474,078.25)	\$ 8,348.23	\$ 108,128.07	\$ 9,509.23	\$ (22,179.00)	\$ (348,770.32)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:												
Depreciation and net amortization	613.57	(19,543.74)	(275.00)	(1,300.00)		613.57	(38,531.75)	7,626.02	30,466.50	737,274.47	11,717.87	12,331.44
(Increase) decrease in accounts receivable, net	(673.72)	(14,915.00)				(673.72)					(132,733.83)	568,087.67
(Increase) decrease in inventories	3,521.11	9,800.00				13,321.11			5,200.00			(673.72)
Increase (decrease) in deferred revenue and deposits payable	(66,744.16)	88,091.50				21,359.46	763,734.66	(9,413.00)	5,200.00	140.41	(5,863.09)	778,848.39
Increase (decrease) in accounts payable					12.12	12.12	(1,200.00)	1,575.00	(8,125.00)		(10,313.75)	(18,083.75)
Increase (decrease) in accrued salaries benefits							724,002.91	(2,014.23)	28,820.70	737,414.88	(137,192.80)	1,349,618.14
Total adjustments	(62,828.84)	82,978.50	(275.00)	(1,300.00)	12.12	(1,413.32)						
Net cash provided by (used for) operating activities	\$ (71,393.74)	\$ 96,041.50	\$ 7,777.00	\$ 652.50	\$ (12,989.18)	\$ 22,088.08	\$ 249,924.66	\$ 6,334.00	\$ 134,948.77	\$ 746,924.11	\$ (159,371.80)	\$ 1,000,647.82

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

INTERNAL SERVICE FUND

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011**

ASSETS	<u>Business Office Services</u>	<u>Totals</u>
Current Assets:		
Cash and cash equivalents	\$ 1,922.97	\$ 1,922.97
Total Current Assets	<u>1,922.97</u>	<u>1,922.97</u>
Total Assets	<u>1,922.97</u>	<u>1,922.97</u>
 NET ASSETS		
Unrestricted	<u>1,922.97</u>	<u>1,922.97</u>
Total Net Assets	<u>\$ 1,922.97</u>	<u>\$ 1,922.97</u>

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended June 30, 2011**

	<u>Business Office Services</u>	<u>Totals</u>
Operating Revenues:		
Charges for services:		
Services provided to other school districts	\$ 183,966.40	\$ 183,966.40
Total Operating Revenues	<u>183,966.40</u>	<u>183,966.40</u>
 Operating Expenses:		
Salaries	153,836.89	153,836.89
Other purchased services	27,568.40	
General supplies	<u>638.14</u>	<u>638.14</u>
Total Operating Expenses	<u>182,043.43</u>	<u>154,475.03</u>
Operating Income (Loss)	<u>1,922.97</u>	<u>29,491.37</u>
Income (loss) before contributions and transfers	1,922.97	29,491.37
Transfers in (out)	<u>-</u>	<u>-</u>
Change in net assets	1,922.97	29,491.37
Total Net Assets—Beginning	<u>-</u>	<u>-</u>
 Total Net Assets—Ending	<u>\$ 1,922.97</u>	<u>\$ 29,491.37</u>

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2011**

	<u>Business Office Services</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 183,966.40	\$ 183,966.40
Payments to employees	(153,836.89)	(153,836.89)
Payments for employee benefits	-	-
Payments to suppliers	<u>(28,206.54)</u>	<u>(28,206.54)</u>
Net cash provided by (used for) operating activities	<u>1,922.97</u>	<u>1,922.97</u>
Net increase (decrease) in cash and cash equivalents	1,922.97	1,922.97
Balances—beginning of year	<u>-</u>	<u>-</u>
Balances—end of year	<u>\$ 1,922.97</u>	<u>\$ 1,922.97</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	<u>\$ 1,922.97</u>	<u>\$ 1,922.97</u>
Net cash provided by (used for) operating activities	<u>\$ 1,922.97</u>	<u>\$ 1,922.97</u>

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

Section H
FIDUCIARY FUND

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011**

<u>Schools</u>	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
Senior High Schools:				
Demarest:				
General Organization Account	\$ 279,740.74	\$ 602,271.33	\$ 535,305.15	\$ 346,706.92
Athletic Account	(14,333.36)	83,107.05	68,773.69	-
Old Tappan:	-			-
General Organization Account	318,259.43	564,262.70	635,785.47	246,736.66
Athletic Account	18.95	71,690.21	71,709.16	-
Interfund Payable	<u>24,739.63</u>	<u>98.28</u>	<u>24,832.70</u>	<u>5.21</u>
	<u>\$ 608,425.39</u>	<u>\$ 1,321,429.57</u>	<u>\$ 1,336,406.17</u>	<u>\$ 593,448.79</u>

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011**

	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
Payroll Deductions and Withholdings	\$ 9,565.20	\$ 15,693,756.54	\$ 15,410,811.46	\$ 292,510.28
Net Salaries and Wages	(51.77)	27,548,850.71	27,548,798.94	-
Interfund Payable	<u>55,292.56</u>	<u>56,611.20</u>	<u>111,752.66</u>	<u>151.10</u>
	<u>\$ 64,805.99</u>	<u>\$ 43,299,218.45</u>	<u>\$ 43,071,363.06</u>	<u>\$ 292,661.38</u>

Section I
LONG – TERM DEBT

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Long - Term Debt
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2011

Purpose	Date of Issue	Amount of Issue	Date	Annual Maturities of Bonds Outstanding June 30, 2011		Interest Rate	Balance June 30, 2010	Retired Current Year	Balance June 30, 2011
				Amount	Rate				
Refunding Bonds	2/1/07	\$ 16,865,000.00	2/1/12	\$ 1,055,000.00	5.000%	\$ 15,765,000.00	\$ 885,000.00	\$ 14,880,000.00	
			2/1/13	1,105,000.00	5.000%				
			2/1/14	1,155,000.00	5.000%				
			2/1/15	1,220,000.00	5.000%				
			2/1/16	1,280,000.00	5.000%				
			2/1/17	1,350,000.00	5.000%				
			2/1/18	1,415,000.00	4.500%				
			2/1/19	1,485,000.00	4.500%				
			2/1/20	1,550,000.00	4.500%				
			2/1/21	1,620,000.00	4.500%				
			2/1/22	1,645,000.00	4.500%				
School Improvements	8/1/07	2,186,000.00	8/1/11	210,000.00	4.125%	1,855,000.00	200,000.00	1,655,000.00	
			8/1/12	220,000.00	4.125%				
			8/1/13	230,000.00	4.125%				
			8/1/14	235,000.00	4.125%				
			8/1/15	245,000.00	4.125%				
			8/1/16	255,000.00	4.125%				
			8/1/17	260,000.00	4.125%				
School Improvements	8/1/09	2,290,000.00	8/1/11	65,000.00	2.000%	2,290,000.00		2,290,000.00	
			8/1/12	75,000.00	2.000%				
			8/1/13	80,000.00	2.000%				
			8/1/14	85,000.00	2.000%				
			8/1/15	90,000.00	2.250%				
			8/1/16	95,000.00	2.250%				
			8/1/17	100,000.00	2.500%				
			8/1/18	215,000.00	2.750%				
			8/1/19	220,000.00	3.000%				
			8/1/20	230,000.00	3.250%				
		8/1/21	240,000.00	3.500%					
		8/1/22	255,000.00	3.500%					
		8/1/23	265,000.00	4.000%					
		8/1/24	275,000.00	4.000%					
							<u>\$ 19,910,000.00</u>	<u>\$ 1,085,000.00</u>	<u>\$ 18,825,000.00</u>

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Long - Term Debt
Schedule of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2011**

<u>Purpose</u>	<u>Amount of Original Issue</u>	<u>Amount Outstanding June 30, 2010</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2011</u>
Computer Network Upgrade	\$ 451,000.00	\$ 163,128.02	\$ -	\$ 80,240.05	\$ 82,887.97
Artificial Turf Field and Technology	972,493.46	<u>782,493.10</u>	<u>-</u>	<u>192,223.36</u>	<u>590,269.74</u>
		<u>\$ 945,621.12</u>	<u>\$ -</u>	<u>\$ 272,463.41</u>	<u>\$ 673,157.71</u>

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,639,240.00	-	\$ 1,639,240.00	\$ 1,639,240.06	\$ 0.06
Total - Local Sources	<u>1,639,240.00</u>		<u>1,639,240.00</u>	<u>1,639,240.06</u>	<u>0.06</u>
State Sources:					
Debt Service Aid Type II	92,605.00		92,605.00	92,605.00	-
Total - State Sources	<u>92,605.00</u>		<u>92,605.00</u>	<u>92,605.00</u>	<u>-</u>
Total Revenues	<u>1,731,845.00</u>		<u>1,731,845.00</u>	<u>1,731,845.06</u>	<u>0.06</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	920,109.00		920,109.00	920,108.97	0.03
Redemption of Principal	1,085,000.00		1,085,000.00	1,085,000.00	-
Total Regular Debt Service	<u>2,005,109.00</u>		<u>2,005,109.00</u>	<u>2,005,108.97</u>	<u>0.03</u>
Total Expenditures	<u>2,005,109.00</u>		<u>2,005,109.00</u>	<u>2,005,108.97</u>	<u>0.03</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(273,264.00)</u>		<u>(273,264.00)</u>	<u>(273,263.91)</u>	<u>0.09</u>
Other Financing Sources:					
Operating Transfers In:					
Transfer from Capital Reserve Account	273,264.00		273,264.00	273,264.00	-
	<u>273,264.00</u>		<u>273,264.00</u>	<u>273,264.00</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>(0.52)</u>		<u>(0.52)</u>	<u>(0.52)</u>	<u>0.09</u>
Fund Balance, July 1					
	-		-	0.09	0.09
Fund Balance, June 30	<u>(0.52)</u>		<u>(0.52)</u>	<u>(0.43)</u>	<u>0.09</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	-		-	0.09	0.09

STATISTICAL SECTION (UNAUDITED)

GASB requires that ten years of statistical data be presented. Pursuant to State of New Jersey Department of Education requirements issued for the fiscal year ended June 30, 1994, only two years statistical data needed to be presented. Additional year's data will be included each year thereafter until ten years of data is presented.

STATISTICAL SECTION (Unaudited)

Financial Trends

J-1	Net Assets by Component
J-2	Changes in Net Assets
J-3	Fund Balances - Governmental Funds
J-4	Changes in Fund Balances - Governmental Funds
J-5	General Fund - Other Local Revenue by Source

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property
J-7	Direct and Overlapping Property Tax Rates
J-8	Principal Property Taxpayers
J-9	Property Tax Levies and Collections

Debt Capacity

J-10	Ratios of Outstanding Debt by Type
J-11	Ratios of Net General Bonded Debt Outstanding
J-12	Direct and Overlapping Governmental Activities Debt as of June 30
J-13	Legal Debt Margin Information

Demographic and Economic Information

J-14	Demographic and Economic Statistics
J-15	Principal Employers

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program
J-17	Operating Statistics
J-18	School Building Information
J-19	Schedule of Required Maintenance for School Facilities
J-20	Insurance Schedule

Certain Exhibits do not contain ten years of information since GASBS No. 44 was implemented as of the fiscal year ending June 30,2006.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities									
Invested in capital assets, net of related debt	\$ 21,274,677.33	\$ 19,823,543.81	\$ 16,851,721.89	\$ 15,777,203.60	\$ 14,175,277.55	\$ 13,344,346.31	\$ 11,728,110.66	\$ 10,523,566.00	\$ (2,393,993.00)
Restricted	1,995,263.93	3,197,855.54	3,333,512.64	2,034,723.72	4,297,849.74	3,986,546.62	5,210,930.83	6,287,178.00	18,015,704.00
Unrestricted	159,191.74	(233,185.74)	205,099.94	49,343.69	794,878.14	361,795.59	130,222.10	(32,295.00)	822,556.00
Total governmental activities net assets	\$ 23,429,133.00	\$ 22,788,213.61	\$ 20,390,334.47	\$ 17,861,271.01	\$ 19,268,005.43	\$ 17,692,688.52	\$ 17,069,263.59	\$ 16,178,449.00	\$ 16,444,267.00
Business-type activities									
Invested in capital assets, net of related debt	\$ 63,516.24	\$ 65,738.26	\$ 18,189.23	\$ 30,374.93	\$ 45,560.63	\$ 37,014.66	\$ 45,654.03	\$ -	\$ -
Restricted	1,938,170.15	2,305,706.30	2,209,516.53	1,648,852.77	1,647,091.78	1,785,625.13	1,132,008.05	876,519.00	696,250.00
Unrestricted	2,001,686.39	2,371,444.56	2,227,705.76	1,679,227.70	1,692,652.41	1,822,639.79	1,177,662.08	876,519.00	696,250.00
Total business-type activities net assets	\$ 2,065,202.63	\$ 2,437,189.12	\$ 2,447,411.52	\$ 1,758,155.40	\$ 1,785,214.82	\$ 1,862,679.58	\$ 1,310,670.13	\$ 876,519.00	\$ 696,250.00
District-wide									
Invested in capital assets, net of related debt	\$ 21,338,193.57	\$ 19,889,282.07	\$ 16,869,911.12	\$ 15,807,578.53	\$ 14,220,838.18	\$ 13,381,360.97	\$ 11,773,764.69	\$ 10,523,566.00	\$ (2,393,993.00)
Restricted	1,995,263.93	3,197,855.54	3,333,512.64	2,034,723.72	4,297,849.74	3,986,546.62	5,210,930.83	6,287,178.00	18,015,704.00
Unrestricted	2,097,361.89	2,072,520.56	2,414,616.47	1,698,196.46	2,441,969.92	2,147,420.72	1,262,230.15	844,224.00	1,518,806.00
Total district net assets	\$ 25,430,819.39	\$ 25,159,658.17	\$ 22,618,040.23	\$ 19,540,498.71	\$ 20,960,657.84	\$ 19,515,328.31	\$ 18,246,925.67	\$ 17,654,968.00	\$ 17,140,517.00

Source: District records

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Business-type activities:									
Charges for services:									
Non-Major Programs	1,261,510.76	1,093,386.94	985,931.68	1,256,587.92	965,278.51	1,060,208.37	1,028,527.97	1,622,343.00	1,566,042.00
Major Programs							1,028,527.97	8,050,282.00	6,728,791.00
Technical Services	2,115,440.70	2,075,161.64	2,214,352.47		234,386.00		933,682.00		
Teens and Tots	295,237.48	258,771.71	293,370.33	258,702.50	806,104.64	890,298.00			
Regional Cooperative Program	966,349.20	1,001,176.00	946,541.00	883,613.75	2,727,105.91	2,563,909.94	2,638,955.80		
Regional Transportation	1,697,411.31	2,574,403.89	2,749,232.31	2,749,232.31	11,640,625.66	10,510,014.76	8,813,514.51		
Regional Special Education	12,523,805.70	12,458,279.06	11,964,731.23	12,470,290.70	16,373,500.72	15,024,431.07	14,443,208.25	9,672,625.00	8,294,833.00
Total business-type activities program revenues	18,859,755.15	19,461,179.24	19,159,172.89	17,618,427.18	24,604,758.15	21,702,124.94	20,872,666.88	14,771,769.00	13,013,926.00
Total district-wide program revenues	25,342,486.55	27,347,420.87	27,218,963.59	26,274,443.06					
Net (Expense)/Revenue									
Governmental activities	(45,601,063.36)	(43,853,764.70)	(41,925,202.98)	(40,771,040.50)	(38,505,911.07)	(36,366,921.06)	(34,785,650.52)	(35,163,611.00)	(31,767,920.00)
Business-type activities	(348,770.32)	133,043.26	465,755.16	(73,237.89)	259,612.08	617,992.55	1,310,938.05	161,403.00	321,611.00
Total district-wide net expense	(45,949,833.68)	(43,720,721.44)	(41,459,447.83)	(40,844,278.39)	(38,246,298.99)	(35,738,928.51)	(33,474,712.47)	(35,002,208.00)	(31,446,309.00)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes:									
Property taxes, levied for general purposes	44,885,134.00	43,158,783.00	41,321,482.00	39,018,015.00	37,517,322.00	35,711,073.00	33,711,548.00	32,985,602.00	30,830,139.00
Property taxes, levied for debt service principal	841,569.60	852,401.23	866,085.29	212,625.11	533,388.23	190,820.52	875,354.36	2,142,834.00	2,013,741.00
Federal and State aid not restricted	31,416.39	112,705.21	15,472.60	453,062.53	379,143.28	295,730.69	340,225.71	214,084.00	118,511.00
Tuition (other than special schools)	276,429.01	249,113.50	248,115.00	193,734.00	366,747.30	349,345.00	349,363.93		
Investment earnings	35,101.18	75,223.53	94,410.75	373,715.53	442,620.12	348,552.61	258,153.85	126,428.00	374,701.00
Miscellaneous income	171,968.13	111,126.90	310,824.98	32,289.44	606,146.37	38,309.83	97,800.00	40,352.00	35,015.00
Adjustment to capital assets				(915,993.55)	(0.07)				
N.J. Economic Development Authority grants			1,526,755.00		239,000.00				
Refunding bond proceeds									
Transfers	364.44	611.31	(63,879.17)	(3,141.98)	(3,139.25)	(2,835.66)	(3,963.44)	(11,507.00)	(6,630.00)
Total governmental activities	46,241,982.75	44,559,964.68	44,319,286.45	39,364,306.08	40,081,227.98	36,930,995.99	35,628,482.41	35,487,793.00	33,365,477.00
Business-type activities:									
Investment earnings	8,295.51	10,685.54	18,648.63	59,671.20	170,261.29	55,766.50	23,210.89	7,359.00	20,311.00
Refund of prior year revenue					(966,000.00)	(31,617.00)			
Transfers					3,139.25	2,835.66	3,963.44	11,507.00	6,630.00
Total business-type activities	8,295.51	10,685.54	18,648.63	59,671.20	170,261.29	55,766.50	23,210.89	7,359.00	20,311.00
Total district-wide general revenues	46,250,278.26	44,570,650.22	44,401,989.35	39,427,119.26	39,688,628.52	36,957,981.15	35,655,656.74	35,516,659.00	33,392,418.00
Change in Net Assets									
Governmental activities	640,919.39	706,199.98	2,394,063.46	(1,406,734.42)	1,575,316.91	574,074.93	842,831.89	334,182.00	1,597,557.00
Business-type activities	(340,474.81)	143,738.80	548,478.06	(10,424.71)	(132,987.38)	644,977.71	1,336,112.38	180,269.00	348,552.00
Total district-wide change in net assets	\$ 300,444.58	\$ 849,938.78	\$ 2,942,541.52	\$ (1,417,159.13)	\$ 1,442,329.53	\$ 1,219,052.64	\$ 2,180,944.27	\$ 514,451.00	\$ 1,946,109.00

Source: District records

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund									
Restricted	\$ 1,202,640.44								
Assigned	975,230.71								
Unassigned	946,075.41								
Reserved		2,276,442.33	1,878,736.65	1,882,950.39	1,706,079.97	1,132,980.17	581,513.49	203,396.00	183,571.00
Unreserved		1,099,069.62	1,410,698.22	1,228,683.43	1,864,960.80	1,709,649.59	1,618,002.10	1,888,279.00	2,077,543.00
Total general fund	\$ 3,123,946.56	\$ 3,375,511.95	\$ 3,289,434.87	\$ 3,111,633.82	\$ 3,571,040.77	\$ 2,842,629.76	\$ 2,199,515.59	\$ 2,091,675.00	\$ 2,261,114.00
All Other Governmental Funds									
Restricted, reported in:									
Capital projects fund	\$ 239,301.69								
Debt service fund	(0.43)								
Assigned, reported in:									
Capital projects fund	480,175.50								
Reserved		263,424.62	792,540.00	176,253.22	1,696,966.35	545,125.40	434,546.79		
Unreserved, reported in:									
Special revenue fund		1,057,759.60	1,020,273.23	353,635.58	1,194,053.05	2,176,352.63	4,205,752.47	5,824,480.00	(4,578.00)
Capital projects fund		(0.52)	(0.26)		58,463.91	510,303.00	383,152.98	259,302.00	17,625,927.00
Debt service fund	\$ 719,476.76	\$ 1,321,183.70	\$ 1,812,812.97	\$ 529,888.80	\$ 2,949,483.31	\$ 3,231,781.03	\$ 5,023,452.24	\$ 6,083,782.00	\$ 210,784.00
Total all other governmental funds	\$ 3,843,423.32	\$ 4,696,695.65	\$ 5,102,247.84	\$ 3,641,522.62	\$ 6,520,524.08	\$ 6,074,410.79	\$ 7,222,967.83	\$ 8,175,457.00	\$ 20,093,247.00

Source: District records

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Changes in Fund Balances - Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)
Unaudited

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues									
Tax levy	\$ 46,524,374.06	\$ 44,799,023.00	\$ 42,961,668.00	\$ 40,163,228.01	\$ 38,635,037.05	\$ 36,831,757.00	\$ 35,554,082.00	\$ 35,128,436.00	\$ 32,843,880.00
Tuition charges	290,224.01	285,885.50	268,365.00	232,309.00	423,047.30	379,020.00	384,213.83	268,950.00	229,802.00
Interest earnings	35,101.18	75,223.53	94,410.75	373,715.53	442,620.12	348,552.61	298,153.85	-	-
Miscellaneous	222,833.93	186,063.90	353,246.58	73,389.44	606,146.37	36,309.83	97,800.00	167,778.00	416,852.00
State sources	4,735,543.68	5,724,527.67	6,103,438.63	7,341,536.62	7,239,463.47	5,403,533.76	4,989,683.63	4,660,463.00	4,001,413.00
Federal sources	916,282.85	1,375,871.40	1,135,052.36	755,278.89	730,310.42	610,352.32	777,971.07	982,817.00	599,253.00
Total revenues	52,724,359.71	52,445,595.00	50,916,181.32	48,939,457.49	48,076,624.73	43,611,525.52	42,061,904.48	40,608,444.00	38,091,200.00
Expenditures									
Instruction									
Regular Instruction	18,239,871.76	17,411,529.36	17,198,599.07	16,604,073.21	15,839,504.83	14,826,950.77	14,389,771.81	13,857,780.00	13,086,218.00
Special instruction	2,281,195.37	2,199,036.66	1,981,305.60	1,467,375.32	1,649,752.69	1,421,659.71	1,373,794.60	1,113,111.00	1,090,606.00
Other instruction	1,831,958.82	1,850,191.17	1,924,721.78	1,962,801.47	2,023,903.20	1,857,656.41	1,781,473.53	1,616,645.00	1,411,944.00
Support Services:									
Tuition	2,696,602.43	2,350,377.91	2,082,565.75	2,097,135.40	1,884,169.75	1,808,445.79	1,984,250.57	2,094,301.00	2,035,007.00
Student and instruction related services	5,946,890.74	5,631,682.40	6,065,775.59	6,019,683.90	5,493,833.39	5,241,666.89	4,841,225.51	4,931,482.00	5,001,787.00
School administrative services	2,548,102.28	2,492,507.07	2,099,696.84	1,570,267.64	1,729,500.11	1,651,975.35	1,828,263.09	1,453,868.00	1,320,073.00
General and business administrative services	1,655,896.84	1,808,065.19	1,567,643.82	1,536,124.87	1,747,707.00	1,826,576.39	1,750,417.10	1,153,528.00	1,019,337.00
Plant operations and maintenance	3,687,408.61	4,056,549.42	4,281,321.61	4,379,410.31	3,707,737.74	3,812,369.44	3,301,359.96	3,088,296.00	2,360,742.00
Pupil transportation	1,538,065.24	1,875,098.62	1,512,641.07	1,490,139.13	1,456,825.02	1,347,835.27	1,241,956.84	1,076,196.00	1,156,090.00
Other Support Services									
Employee benefits	10,380,273.96	10,443,064.00	9,676,317.37	10,575,281.68	10,281,123.02	7,692,266.62	7,212,124.74	725,311.00	602,242.00
Special Schools	53,527.68	71,928.69	78,675.95	78,058.48	77,390.95	85,418.54	96,813.57	91,105.00	5,630,893.00
Capital outlay	1,113,103.78	3,251,436.75	1,410,871.68	2,638,779.65	2,157,096.56	1,363,741.92	1,366,447.14	12,358,831.00	11,805,160.00
Debt service:									
Principal	1,085,000.00	1,045,000.00	1,106,000.00	935,000.00	1,160,000.00	875,000.00	860,000.00	1,145,000.00	1,110,000.00
Interest and other charges	920,108.97	855,291.26	904,689.26	912,185.91	604,827.86	945,683.80	982,533.80	1,032,834.00	1,153,741.00
Total expenditures	53,577,996.48	55,141,758.50	51,890,825.39	52,266,316.97	48,813,372.12	44,757,246.90	43,010,432.26	52,514,727.00	48,879,945.00
Excess (Deficiency) of revenues over (under) expenditures	(853,636.77)	(2,696,163.50)	(974,644.07)	(3,326,859.48)	(1,736,747.39)	(1,145,721.38)	(948,527.78)	(11,906,283.00)	(10,788,745.00)

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**
Changes in Fund Balances - Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Other Financing sources (uses)									
Proceeds from borrowing		2,290,000.00		451,000.00	2,186,000.00				
Capital leases (non-budgeted)			972,493.46						
Proceeds from refunding									
Payments to escrow agent			1,526,755.00		(0.07)				
N.J. Economic Development Authority grants			263,003.41	643,508.99	195,273.72	827,149.82	123,850.60	83,518.00	330,276.00
Transfers in	275,362.00	155,157.59	(154,546.29)	(646,650.87)	(198,412.97)	(829,985.48)	(127,814.04)	(95,025.00)	(336,906.00)
Transfers out	(274,997.56)			447,858.02	2,182,860.68	(2,835.66)	(3,963.44)	(11,507.00)	(6,630.00)
Total other financing sources (uses)	364.44	2,290,611.31	2,435,369.29	447,858.02	2,182,860.68	(2,835.66)	(3,963.44)	(11,507.00)	(6,630.00)
Net change in fund balances	\$ (853,272.33)	\$ (405,552.19)	\$ 1,460,725.22	\$ (2,879,001.46)	\$ 446,113.29	\$ (1,148,557.04)	\$ (952,491.22)	\$ (11,917,790.00)	\$ (10,796,375.00)
Debt service as a percentage of noncapital expenditures	3.82%	3.66%	3.98%	3.72%	3.70%	4.20%	4.42%	5.42%	6.11%

Source: District records

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited**

<u>Fiscal Year Ended June 30,</u>	<u>Total</u>	<u>Summer School</u>	<u>Tuition</u>	<u>Interest</u>	<u>Athletics</u>	<u>Rentals</u>	<u>Athletics and Activities Fees</u>	<u>Insurance Refund</u>	<u>Other</u>
2002	\$ 349,701		\$ 188,695	\$ 96,587	\$ 9,115	\$ 18,042		\$	37,262
2003	307,981		229,802	44,425	6,751	10,890			16,113
2004	352,212		268,950	42,910	11,614	19,683			9,055
2005	616,317	2,975	384,214	134,303	13,024	7,566			74,236
2006	637,184	29,675	349,345	221,402	11,231	12,981			12,550
2007	1,411,165	56,300	366,747	381,972	8,301	3,016		566,000	28,829
2008	638,314	38,575	193,734	373,716	8,806	4,083			19,400
2009	670,785	20,250	248,115	91,595	9,274	4,403			47,148
2010	468,553	36,772	249,113	71,542	10,919		71,789	250,000	28,418
2011	495,560	13,795	276,429	33,368	11,324	10,906	113,696		36,042

Source: District Records

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Closter Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,134,431,351	\$ 1,329,932,146	0.606
2003									1,143,691,651	1,372,783,222	0.688
2004									1,155,899,463	1,532,548,483	0.681
2005	15,035,600	1,000,581,600	2,848,300	135,618,900	14,267,500	539,200	1,168,891,100	3,730,935	1,172,622,035	1,764,818,118	0.709
2006	35,029,000	2,086,295,000	4,963,000	216,771,800	18,963,600	1,005,700	2,363,028,100	5,482,708	2,368,510,808	2,014,471,404	0.367
2007	40,014,800	2,088,854,600	4,960,600	214,440,600	18,309,800	1,005,700	2,367,586,100	5,522,116	2,373,108,216	2,230,624,189	0.387
2008	37,719,700	2,098,226,600	4,960,600	208,793,300	18,309,800	1,005,700	2,369,015,700	5,610,344	2,374,626,044	2,284,098,351	0.406
2009	25,624,300	1,780,304,800	5,503,300	228,504,900	21,689,700	959,600	2,062,586,600	6,411,588	2,068,998,188	2,068,998,188	0.491
2010	23,558,800	1,786,602,200	5,503,300	224,680,900	15,782,200	959,600	2,057,087,000	6,112,619	2,063,199,619	2,225,664,998	0.506
2011	23,262,400	1,791,836,000	5,503,300	223,086,500	15,045,700	959,600	2,059,693,500	5,669,360	2,065,362,860	2,161,138,793	0.514

Source: Municipal Tax Assessor

Demarest Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 573,537,312	\$ 829,282,024	0.69
2003									1,109,706,712	869,424,080	0.426
2004									1,097,243,887	972,921,934	0.457
2005	23,938,600	1,050,060,500	-	37,275,600	-	1,350,000	1,112,624,700	397,963	1,113,022,663	1,092,747,520	0.478
2006	26,174,900	1,060,898,600	-	37,029,400	-	1,350,000	1,125,453,900	611,154	1,125,065,054	1,201,434,789	0.466
2007	25,416,600	1,078,919,200	-	37,029,400	-	1,350,000	1,142,715,200	589,577	1,143,304,777	1,378,125,458	0.478
2008	21,534,400	1,113,563,000	-	37,029,400	-	1,350,000	1,173,476,800	637,147	1,174,113,947	1,420,610,278	0.513
2009	15,953,300	1,141,824,700	-	37,029,400	-	1,350,000	1,196,157,400	852,876	1,197,010,276	1,459,346,350	0.545
2010	24,674,000	1,155,919,300	-	36,920,200	-	1,350,000	1,218,863,500	761,402	1,219,624,902	1,475,586,410	0.561
2011	19,407,900	1,175,319,700	-	36,920,200	-	1,350,000	1,232,997,800	589,741	1,233,587,541	1,411,968,299	0.572

Source: Municipal Tax Assessor

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Harrington Park Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 494,542,313	\$ 653,922,740	0.680
2003									489,278,144	656,665,892	0.749
2004									503,958,783	755,902,560	0.699
2005	8,330,700	487,020,700	-	19,384,600	-	-	514,736,000	296,901	515,032,901	829,754,962	0.694
2006	24,418,000	1,007,282,100	-	39,195,200	-	-	1,070,895,300	764,557	1,071,659,857	967,591,597	0.345
2007	22,888,400	1,012,540,900	-	37,777,900	-	-	1,073,207,200	793,573	1,074,000,773	1,057,948,194	0.330
2008	20,183,000	1,029,990,700	-	37,155,400	-	-	1,087,329,100	970,697	1,088,299,797	1,125,158,811	0.339
2009	16,477,300	1,035,505,100	-	37,155,400	-	-	1,089,137,800	1,107,483	1,090,245,283	1,164,157,606	0.397
2010	16,047,300	1,034,946,900	-	37,240,800	-	-	1,088,235,000	1,223,350	1,089,458,350	1,113,572,454	0.427
2011	15,178,500	1,025,271,300	-	38,817,600	-	-	1,079,267,400	877,805	1,080,145,205	1,036,552,493	0.449

Source: Municipal Tax Assessor

Haworth Borough

2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 406,173,911	\$ 591,798,141	0.710
2003									410,270,542	588,017,834	0.793
2004									729,754,445	649,050,501	0.436
2005	15,935,000	640,147,700	-	76,656,600	-	-	732,739,300	336,767	733,076,067	735,362,403	0.457
2006	16,967,500	646,633,500	-	78,821,500	-	-	742,422,500	278,855	742,701,355	841,932,183	0.457
2007	17,828,700	654,232,100	-	78,365,500	-	-	750,426,300	260,247	750,686,547	927,759,601	0.507
2008	16,021,200	669,141,100	-	78,365,500	-	-	763,527,800	261,858	763,789,658	985,266,258	0.528
2009	14,816,600	677,484,000	-	78,483,600	-	-	770,784,200	323,307	771,107,507	998,534,689	0.502
2010	14,785,400	681,880,900	-	98,938,300	-	-	795,604,600	810,227	796,414,827	1,054,551,126	0.518
2011	14,497,100	683,091,200	-	98,935,300	-	-	796,523,600	534,748	797,058,348	1,047,745,035	0.573

Source: Municipal Tax Assessor

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Northvale Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual Value (County Equalized)	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 467,735,464	\$ 576,253,095	0.640
2003									471,610,603	601,606,082	0.700
2004									473,468,790	706,387,048	0.726
2005	5,805,500	316,696,200		42,365,600	110,541,300		475,408,600	453,087	475,861,687	803,165,469	0.787
2006	7,147,200	318,371,600		42,382,700	107,078,640		474,980,140	606,929	475,587,069	868,881,672	0.812
2007	14,898,400	692,867,700		75,958,300	179,635,500		963,359,900	566,929	963,926,829	952,930,025	0.408
2008	15,525,157	698,971,683		76,040,600	208,074,700		998,612,140	1,187,908	999,800,048	1,025,770,271	0.402
2009	13,857,186	702,140,418		76,958,900	202,138,500		995,095,004	1,412,505	996,507,509	1,066,218,181	0.425
2010	14,271,786	708,040,500		77,577,000	203,705,700		1,003,594,986	1,505,596	1,005,100,582	1,066,218,181	0.454
2011	10,940,800	575,722,200		75,443,800	187,824,400		849,931,200	1,104,701	851,035,901	940,665,793	0.562

Source: Municipal Tax Assessor

Norwood Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual Value (County Equalized)	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,424,596	\$ 868,087,754	0.653
2003									696,938,279	898,085,061	0.779
2004									716,727,386	998,596,230	0.796
2005	7,983,000	620,563,200	23,600	37,222,200	50,865,200	9,573,800	726,231,000	688,386	726,919,386	1,106,246,405	0.810
2006	8,864,700	628,154,000	23,600	36,414,200	51,309,300	9,573,800	734,339,600	776,182	735,115,782	1,263,101,774	0.833
2007	7,443,800	634,462,200	23,600	37,110,200	55,799,600	9,573,800	744,413,200	693,146	745,106,346	1,520,178,366	0.892
2008	12,893,600	1,273,609,500	44,300	78,306,000	102,148,800	17,510,200	1,484,512,400	1,477,760	1,485,990,160	1,520,178,366	0.475
2009	11,621,100	1,274,524,800	44,300	74,496,700	102,148,800	17,510,200	1,480,345,900	1,777,913	1,482,123,813	1,583,947,764	0.489
2010	10,724,900	1,280,449,400	44,300	72,587,800	100,927,500	17,510,200	1,482,244,100	1,664,055	1,483,908,155	1,507,082,584	0.489
2011	6,542,400	987,650,800	44,300	70,677,800	98,608,900	17,529,800	1,181,054,000	1,288,727	1,182,342,727	1,281,719,006	0.585

Source: Municipal Tax Assessor

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Old Tappan Borough

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,131,127,832	\$ 1,065,628,539	0.47
2003									1,146,195,128	1,119,979,360	0.541
2004									1,179,143,263	1,258,517,369	0.525
2005	36,137,900	1,109,496,400	390,300	62,791,700		331,800	1,209,148,100	1,026,660	1,210,174,760	1,418,340,173	0.536
2006	37,728,800	1,139,762,900	811,400	63,120,800		331,800	1,241,755,700	969,149	1,242,724,849	1,242,724,849	0.536
2007	36,722,900	1,165,297,800	390,300	61,889,900		331,800	1,264,632,700	905,277	1,265,537,977	1,871,806,190	0.536
2008	34,314,800	1,186,252,900	390,300	61,889,900		331,800	1,283,179,700	1,013,376	1,284,193,076	1,932,044,022	0.551
2009	35,466,800	1,197,274,300	318,000	60,361,700		331,800	1,283,752,600	1,247,192	1,284,999,792	1,970,249,241	0.583
2010	33,777,900	1,207,995,400	318,000	61,568,200		331,800	1,303,991,300	1,290,151	1,305,281,451	1,914,086,815	0.595
2011	48,784,000	1,595,217,300	361,400	85,162,000		698,100	1,730,222,800	1,468,244	1,731,691,044	1,793,532,441	0.467

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited**

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.600	0.006	0.606	0.518	1.005	0.261	2.390
2003	0.653	0.045	0.698	0.548	1.050	0.254	2.550
2004	0.639	0.042	0.681	0.605	1.099	0.275	2.660
2005	0.674	0.035	0.709	0.633	1.152	0.296	2.790
2006	0.350	0.017	0.367	0.357	0.607	0.159	1.490
2007	0.370	0.017	0.387	0.376	0.636	0.171	1.570
2008	0.388	0.018	0.406	0.397	0.662	0.178	1.643
2009	0.469	0.022	0.491	0.478	0.780	0.222	1.971
2010	0.486	0.020	0.506	0.495	0.800	0.212	2.013
2011	0.493	0.021	0.514	0.503	0.811	0.218	2.046

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.682	0.008	0.690	0.660	1.300	0.320	2.970
2003	0.397	0.029	0.426	0.372	0.754	0.168	1.720
2004	0.429	0.028	0.457	0.411	0.816	0.186	1.870
2005	0.454	0.024	0.478	0.433	0.853	0.196	1.960
2006	0.443	0.023	0.466	0.433	0.903	0.198	2.000
2007	0.456	0.022	0.478	0.429	0.854	0.199	1.960
2008	0.491	0.022	0.513	0.425	0.939	0.225	2.102
2009	0.522	0.023	0.545	0.444	0.952	0.235	2.176
2010	0.540	0.021	0.561	0.461	0.960	0.238	2.220
2011	0.549	0.023	0.572	0.478	0.978	0.238	2.266

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited**

Harrington Park Borough

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.673	0.007	0.680	0.590	1.290	0.300	2.860
2003	0.700	0.049	0.749	0.600	1.382	0.279	3.010
2004	0.652	0.047	0.699	0.604	1.438	0.309	3.050
2005	0.655	0.039	0.694	0.672	1.588	0.316	3.270
2006	0.327	0.018	0.345	0.335	0.800	0.170	1.650
2007	0.312	0.018	0.330	0.349	0.833	0.178	1.690
2008	0.320	0.019	0.339	0.377	0.863	0.192	1.771
2009	0.377	0.020	0.397	0.403	0.895	0.206	1.901
2010	0.408	0.019	0.427	0.420	0.930	0.201	1.978
2011	0.429	0.020	0.449	0.437	0.937	0.198	2.021

Source: Municipal Tax Collector

Haworth Borough

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.703	0.007	0.710	0.820	1.24	0.320	3.090
2003	0.740	0.053	0.793	0.870	1.363	0.304	3.330
2004	0.407	0.029	0.436	0.521	0.845	0.188	1.990
2005	0.433	0.024	0.457	0.559	0.884	0.200	2.100
2006	0.434	0.023	0.457	0.599	0.903	0.211	2.170
2007	0.484	0.023	0.507	0.642	0.919	0.222	2.290
2008	0.505	0.023	0.528	0.681	0.940	0.239	2.388
2009	0.477	0.025	0.502	0.681	0.962	0.249	2.394
2010	0.495	0.023	0.518	0.687	0.981	0.261	2.447
2011	0.548	0.025	0.573	0.692	1.013	0.274	2.552

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited**

Northvale Borough

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.633	0.007	0.640	0.790	1.010	0.280	2.720
2003	0.651	0.049	0.700	0.820	1.160	0.270	2.950
2004	0.679	0.047	0.726	0.839	1.247	0.308	3.120
2005	0.748	0.039	0.787	0.863	1.299	0.331	3.280
2006	0.773	0.039	0.812	0.890	1.375	0.333	3.410
2007	0.390	0.018	0.408	0.450	0.744	0.178	1.780
2008	0.384	0.018	0.402	0.460	0.748	0.191	1.801
2009	0.405	0.020	0.425	0.491	0.781	0.205	1.902
2010	0.435	0.019	0.454	0.513	0.802	0.201	1.970
2011	0.558	0.024	0.582	0.665	0.968	0.229	2.444

Source: Municipal Tax Collector

Nonwood Borough

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.646	0.007	0.653	0.617	0.832	0.278	2.380
2003	0.732	0.047	0.779	0.658	0.890	0.273	2.600
2004	0.752	0.044	0.796	0.656	0.930	0.288	2.670
2005	0.773	0.037	0.810	0.673	0.978	0.299	2.760
2006	0.797	0.036	0.833	0.696	1.027	0.314	2.870
2007	0.857	0.035	0.892	0.728	1.010	0.360	2.990
2008	0.456	0.019	0.475	0.393	0.529	0.193	1.590
2009	0.469	0.020	0.489	0.418	0.543	0.205	1.655
2010	-0.019	0.019	0.000	0.418	0.543	0.205	1.655
2011	0.560	0.025	0.585	0.615	0.709	0.224	2.133

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited**

Old Tappan Borough

Fiscal Year Ended December 31,	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	Local School	County	
2002	0.465	0.005	0.470	0.170	0.690	0.210	1.540
2003	0.505	0.036	0.541	0.209	0.772	0.208	1.730
2004	0.491	0.034	0.525	0.234	0.828	0.223	1.810
2005	0.508	0.028	0.536	0.263	0.860	0.231	1.890
2006	0.509	0.027	0.536	0.267	0.884	0.243	1.930
2007	0.510	0.026	0.536	0.274	0.906	0.264	1.980
2008	0.524	0.027	0.551	0.309	0.927	0.280	2.067
2009	0.554	0.029	0.583	0.319	0.946	0.293	2.141
2010	0.568	0.027	0.595	0.336	0.952	0.288	2.171
2011	0.445	0.022	0.467	0.267	0.732	0.216	1.682

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited**

United Water NJ Fiscal Year Ended June 30,	Closter Borough			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Irani-Aspi C/O Closter Plaza Mgt.	\$ 31,500,000		1.53%			
Closter Grocery	8,645,300		0.42%			
Heidenberg Closter Assoc.	7,368,000		0.36%			
Closter Golf	6,999,700		0.34%			
United Water NJ	5,891,200		0.29%			
Verizon	5,669,360		0.27%			
Rueten Associates	4,581,700		0.22%			
DWL Monmouth	4,553,500		0.22%			
Fred Reuten, Inc.	4,492,400		0.22%			
BR NJ LLC	4,167,400		0.20%			
Total	\$ 83,868,560		4.06%	\$ -		0.00%

Source: Municipal Tax Assessor

Demarest Borough Fiscal Year Ended June 30,	Demarest Borough			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Alpine Country Club	\$ 32,323,800		2.65%			
Syco Investments	4,190,000		0.34%			
Individual Taxpayer #1	4,190,000		0.34%			
Individual Taxpayer #2	3,918,000		0.32%			
Individual Taxpayer #3	3,598,200		0.30%			
Individual Taxpayer #4	3,107,800		0.25%			
Individual Taxpayer #5	3,050,400		0.25%			
Individual Taxpayer #6	2,966,500		0.24%			
Individual Taxpayer #7	2,925,800		0.24%			
Individual Taxpayer #8	2,568,300		0.21%			
Total	\$ 62,838,800		5.15%	\$ -		0.00%

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited**

Harrington Park Borough

Fiscal Year Ended June 30,	2011			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
United Water Resources	\$ 32,008,900		2.94%			
Individual Taxpayer #1	3,915,100		0.36%			
Rockland Electric	3,018,900		0.28%			
Individual Taxpayer #2	1,602,700		0.15%			
Individual Taxpayer #3	1,564,800		0.14%			
Individual Taxpayer #4	1,555,500		0.14%			
Individual Taxpayer #5	1,369,200		0.13%			
Individual Taxpayer #6	1,341,000		0.12%			
Individual Taxpayer #7	1,327,700		0.12%			
Individual Taxpayer #8	1,323,800		0.12%			
Total	\$ 49,027,600		4.38%	\$ -		0.00%

Source: Municipal Tax Assessor

Haworth Borough

Fiscal Year Ended June 30,	2011			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
United Water NJ	\$ 51,789,000		6.50%			
Haworth Country Club LLC	26,843,600		3.37%			
White Beeches Golf & Country Cl	12,869,000		1.62%			
White Beeches Realty Corp.	4,531,000		0.57%			
Individual Taxpayer #1	1,985,400		0.25%			
Individual Taxpayer #2	1,859,800		0.23%			
Individual Taxpayer #3	1,682,900					
Terrace Street Holding Co.	1,621,900		0.20%			
Individual Taxpayer #4	1,553,800		0.20%			
Individual Taxpayer #5	1,534,600		0.19%			
Total	106,271,000		13.13%	\$ -		0.00%

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited**

Northvale Borough

Fiscal Year Ended June 30,	2011			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Maxim Enterprises, LLC	\$ 27,500,000		2.74%			
Costa	13,135,000		1.31%			
MEM Union Street Assoc.	12,711,200		1.26%			
Rio Vista Homes	11,936,100		1.19%			
Northvale 1997 & 2005 Assoc.	10,959,200		1.09%			
Northvale Shopping Center Assoc.	9,995,600		0.99%			
Northvale Tire Tech Center LP	7,405,600		0.74%			
Centrico, Inc.	7,268,700		0.72%			
Northvale Holding Co LLC	6,531,800		0.65%			
Matthew Realty LLC	6,442,300		0.64%			
Total	\$ 113,885,500		11.33%	\$ -		0.00%

Source: Municipal Tax Assessor

Norwood Borough

Fiscal Year Ended June 30,	2011			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Buckingham at Norwood	\$ 23,000,000		1.55%			
Norwood Associates II	17,529,800		1.18%			
Alfred Sanzari	7,559,600		0.51%			
Livingston 535	6,400,700		0.43%			
355 Chestnut Street	5,499,600		0.37%			
Levingal Realty	4,199,900		0.28%			
Norwood Projist, LLC	4,093,200		0.28%			
Alsana Realty	3,647,600		0.25%			
Individual Taxpayer #1	3,602,200		0.24%			
Mitsui Foods	3,314,100		0.22%			
Total	\$ 78,846,700		5.31%	\$ -		0.00%

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited**

Old Tappan Borough

Fiscal Year Ended June 30,	2011			2000		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
United Water NJ	\$ 19,824,000		1.52%			
A&R, A LTD	14,000,000		1.07%			
Prentice Hall	13,882,900		1.06%			
Sunrise Old Tappan Assisted Living	8,326,000		0.64%			
Individual Taxpayer #1	4,550,300		0.35%			
Rockland Electric	2,809,000		0.22%			
Individual Taxpayer #2	2,626,400		0.20%			
Individual Taxpayer #3	2,241,000		0.17%			
Individual Taxpayer #4	2,171,000		0.17%			
Individual Taxpayer #5	2,062,100		0.16%			
Total	\$ 72,492,700		5.55%	\$ -		0.00%

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited**

Closter Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2001	\$ 25,304,287		\$ 25,029,100	98.91%	\$ 226,816		\$ 25,255,916	99.80%
2002	27,266,194		26,950,138	98.84%	302,690		27,252,828	99.95%
2003	29,363,832		29,105,495	99.12%	224,820		29,330,315	99.88%
2004	31,092,476		30,822,320	99.13%	240,953		31,063,273	99.90%
2005	33,226,689		32,804,184	98.72%	254,709		33,058,893	99.49%
2006	35,383,753		35,036,404	99.01%	171,790		35,208,194	99.50%
2007	37,407,699		36,709,725	98.13%	292,898		37,002,623	98.91%
2008	39,262,822		38,734,390	98.65%	470,768		39,205,158	99.85%
2009	40,825,490		40,275,809	98.65%	490,132		40,765,941	99.85%
2010	41,656,780		40,633,349	97.54%			40,633,349	97.54%

Source: Municipal Tax Collector

Demarest Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2001	\$ -		\$ -	0.00%	\$ -		\$ -	0.00%
2002	-		-	0.00%	-		-	0.00%
2003	19,112,524		18,798,559	98.35%	180,740		18,979,299	99.30%
2004	20,656,613		20,412,380	98.81%	168,107		20,581,487	99.63%
2005	21,988,472		21,797,970	99.13%	173,866		21,971,836	99.92%
2006	22,743,305		22,563,307	99.20%	144,116		22,707,423	99.84%
2007	24,116,431		23,838,595	98.84%	233,006		24,071,601	99.81%
2008	25,036,812		24,747,394	98.84%	288,328		25,035,722	99.99%
2009	26,331,129		25,985,102	98.68%	316,561		26,301,663	99.88%
2010	27,330,467		26,895,466	98.40%			26,895,466	98.40%

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited**

Harrington Park Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the		Collections in Subsequent Years		Total Collections to Date	
	\$	Percentage of Levy	Amount	Percentage of Levy	Amount	Amount	Amount	Percentage of Levy
2001	\$ -	0.00%	\$ -	0.00%	\$ -	-	\$ -	0.00%
2002	-	0.00%	-	0.00%	-	-	-	0.00%
2003	15,109,377	99.04%	14,965,344	99.04%	146,621	15,111,965	15,111,965	100.01%
2004	15,645,636	99.33%	15,541,184	99.33%	86,332	15,627,516	15,627,516	99.88%
2005	17,002,040	99.44%	16,907,415	99.44%	86,251	16,993,666	16,993,666	99.95%
2006	17,769,494	98.41%	17,487,239	98.41%	88,865	17,576,104	17,576,104	98.91%
2007	18,362,496	99.49%	18,269,865	99.49%	75,930	18,345,795	18,345,795	99.90%
2008	19,340,361	99.35%	19,215,667	99.35%	101,969	19,317,636	19,317,636	99.88%
2009	20,768,143	98.81%	20,521,901	98.81%	163,063	20,684,964	20,684,964	99.59%
2010	21,593,726	98.38%	21,245,998	98.38%	-	21,245,998	21,245,998	98.38%

Source: Municipal Tax Collector

Haworth Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the		Collections in Subsequent Years		Total Collections to Date	
	\$	Percentage of Levy	Amount	Percentage of Levy	Amount	Amount	Amount	Percentage of Levy
2001	\$ -	0.00%	\$ -	0.00%	\$ -	-	\$ -	0.00%
2002	-	0.00%	-	0.00%	-	-	-	0.00%
2003	13,734,677	99.14%	13,616,876	99.14%	110,664	13,727,540	13,727,540	99.94%
2004	14,568,961	99.31%	14,468,486	99.31%	88,996	14,557,482	14,557,482	99.92%
2005	15,527,990	99.31%	15,420,862	99.31%	100,032	15,520,894	15,520,894	99.95%
2006	16,162,933	99.18%	16,031,220	99.18%	113,365	16,144,585	16,144,585	99.88%
2007	17,357,958	99.01%	17,186,400	99.01%	162,823	17,349,223	17,349,223	99.94%
2008	18,311,450	99.16%	18,157,740	99.16%	146,599	18,304,339	18,304,339	99.96%
2009	18,781,284	98.73%	18,543,070	98.73%	213,516	18,756,586	18,756,586	99.86%
2010	19,511,718	98.78%	19,275,591	98.78%	-	19,275,591	19,275,591	98.78%

Source: Municipal Tax Collector

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Northvale Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	\$		Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2001	\$ -		\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
2002	-		-	0.00%	-	0.00%	-	0.00%
2003	-		-	0.00%	-	0.00%	-	0.00%
2004	14,808,762		14,615,675	98.69%	103,692	0.70%	14,719,367	99.39%
2005	15,680,593		15,424,289	98.36%	233,805	1.48%	15,658,094	99.85%
2006	16,315,580		15,761,199	96.60%	329,518	2.01%	16,090,717	98.62%
2007	17,316,610		17,093,715	98.71%	220,736	1.27%	17,314,451	99.98%
2008	18,047,137		17,799,903	98.63%	259,334	1.44%	18,059,237	100.06%
2009	18,997,284		18,513,285	97.45%	480,135	2.53%	18,993,420	99.97%
2010	19,831,276		19,221,597	96.92%	-	0.00%	19,221,597	96.92%

Source: Municipal Tax Collector

Norwood Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	\$		Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2001	\$ 15,628,496		\$ 15,347,230	98.20%	\$ -	0.00%	\$ 15,347,230	98.20%
2002	16,575,915		16,324,615	98.48%	-	0.00%	16,324,615	98.48%
2003	18,374,971		18,087,484	98.43%	297,443	1.62%	18,384,927	100.05%
2004	19,350,024		19,034,022	98.36%	294,825	1.52%	19,328,847	99.89%
2005	20,244,931		20,018,942	98.88%	216,270	1.07%	20,235,212	99.95%
2006	21,220,840		20,921,465	98.58%	285,583	1.35%	21,207,048	99.93%
2007	22,409,765		22,058,350	98.43%	354,488	1.58%	22,412,838	100.01%
2008	23,651,903		23,205,725	98.11%	333,504	1.41%	23,539,229	99.52%
2009	24,587,704		24,141,580	98.14%	416,895	1.70%	24,558,475	99.84%
2010	25,587,421		25,022,879	97.75%	-	0.00%	25,022,879	97.75%

Source: Municipal Tax Collector

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited**

Old Tappan Borough

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the		Collections in Subsequent Years		Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2001	\$ -	0.00%	\$ -	0.00%	\$ -	-	\$ -	0.00%
2002	20,252,827	0.00%	20,032,896	0.00%	-	-	20,214,814	0.00%
2003	21,832,889	98.91%	21,567,588	98.91%	181,918	0.81%	21,753,498	99.81%
2004	23,216,862	98.78%	22,926,675	98.78%	185,910	0.80%	23,209,942	99.63%
2005	24,266,836	98.75%	23,929,313	98.60%	283,267	1.17%	24,234,624	99.97%
2006	25,322,060	98.60%	25,034,811	98.60%	305,311	1.21%	25,317,914	99.86%
2007	26,774,225	98.67%	26,418,573	98.67%	283,103	1.06%	26,748,751	99.98%
2008	27,949,846	98.62%	27,565,325	98.62%	330,178	1.18%	27,929,706	99.90%
2009	28,375,218	98.77%	28,028,061	98.77%	364,381	1.28%	28,028,061	99.92%
2010								98.77%

Source: Municipal Tax Collector

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities			Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	-	
2003	22,799,000	-	-	-	-	22,799,000	1.40%	603	
2004	21,654,000	-	-	-	-	21,654,000	1.29%	570	
2005	20,794,000	-	-	-	-	20,794,000	1.21%	546	
2006	19,919,000	-	-	-	-	19,919,000	1.12%	521	
2007	20,706,000	-	-	-	-	20,706,000	1.13%	538	
2008	19,771,000	-	451,000	-	-	20,222,000	1.06%	521	
2009	18,665,000	-	1,213,298	-	-	19,878,298	1.01%	507	
2010	19,910,000	-	945,621	-	-	20,855,621	1.05%	541	
2011	18,825,000	-	673,158	-	-	19,498,158	1.60%	813	

Exhibit J-11

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2002	\$ -	\$ -	\$ -	0.00%	\$ -
2003	22,799,000	-	22,799,000	0.42%	603
2004	21,654,000	-	21,654,000	0.37%	570
2005	20,794,000	-	20,794,000	0.35%	546
2006	19,919,000	-	19,919,000	0.26%	521
2007	20,706,000	-	20,706,000	0.25%	538
2008	19,771,000	-	19,771,000	0.22%	509
2009	18,665,000	-	18,665,000	0.21%	476
2010	19,910,000	-	19,910,000	0.22%	516
2011	18,825,000	-	18,825,000	0.24%	785

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Direct and Overlapping Governmental Activities Debt
As of December 31, 2010
Unaudited**

	Borough of Closter	Borough of Demarest	Borough of Harrington Park	Borough of Haworth	Borough of Northvale	Borough of Norwood	Borough of Old Tappan
Net Direct Debt of School District as of December 31, 2010	\$ 4,332,094.20	\$ 2,753,513.51	\$ 2,138,289.62	\$ 1,967,940.77	\$ 1,980,054.72	\$ 2,873,974.24	\$ 3,665,215.94
Net Overlapping Debt of School District: Municipal (100%)	12,143,252.00	8,686,968.00	3,087,676.00	7,128,492.00	4,761,679.00	7,945,036.40	8,238,674.00
Local School (100%)	5,872,220.80	9,404,999.49	3,522,001.38	4,277,000.23	4,644,000.28	5,127,541.00	6,245,000.06
County of Bergen Share (1)	8,868,421.15	5,879,637.23	4,437,133.88	4,201,954.24	4,106,873.84	6,005,119.97	7,626,894.81
Total Direct and Overlapping Bonded Debt as of December 31, 2010	<u>\$ 31,215,988.15</u>	<u>\$ 26,725,118.23</u>	<u>\$ 13,185,100.88</u>	<u>\$ 17,575,387.24</u>	<u>\$ 15,492,607.84</u>	<u>\$ 21,951,671.61</u>	<u>\$ 25,775,784.81</u>

- (1) Borough of Closter - 1.21348%
- Borough of Demarest - 0.80452%
- Borough of Harrington Park - 0.60714%
- Borough of Haworth - 0.57496%
- Borough of Northvale - 0.56195%
- Borough of Norwood - 0.82169%
- Borough of Old Tappan - 1.04360%

Source: Municipalities Chief Financial Officers and Bergen County Treasurer's Office

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited**

Legal Debt Margin Calculation for Fiscal Year 2010

Year	Borough of Closter	Borough of Demarest	Borough of Harrington Park	Borough of Haworth	Borough of Northvale	Borough of Norwood	Borough of Old Tappan	Total Equalized Valuation Basis
2008	2,351,847,215	1,430,022,910	1,160,436,606	987,746,184	1,056,956,118	1,579,604,597	1,950,121,125	10,516,734,755
2009	2,219,983,425	1,446,566,295	1,112,613,954	1,019,825,615	1,009,121,797	1,499,540,012	1,895,052,878	10,202,693,976
2010	2,147,720,819	1,394,421,119	1,043,670,279	1,044,919,359	1,005,203,311	1,378,703,469	1,839,976,436	9,854,614,792
	\$ 6,719,551,459	\$ 4,271,000,324	\$ 3,316,720,839	\$ 3,052,491,158	\$ 3,071,281,226	\$ 4,457,848,078	\$ 5,685,150,439	\$ 30,574,043,523

Average equalized valuation of taxable property

Debt limit (3.0% of average equalization value)

Total Net Debt Applicable to Limit

Legal debt margin

\$ 10,191,347,841

305,740,435

18,825,000

\$ 286,915,435

Fiscal Year

	2007	2008	2009	2010	2011
Debt limit	\$ 246,884,504	\$ 285,390,418	\$ 288,651,232	\$ 308,633,794	\$ 305,740,435
Total net debt applicable to limit	20,706,000	19,771,000	18,666,083	19,911,083	18,825,000
Legal debt margin	\$ 228,178,504	\$ 228,178,504	\$ 269,986,232	\$ 288,722,711	\$ 286,915,435
Total net debt applicable to the limit as a percentage of debt limit	8.32%	6.93%	6.47%	6.45%	6.16%

Fiscal Year

	2002	2003	2004	2005	2006
Debt limit	\$ -	\$ -	\$ 182,197,881	\$ 203,774,411	\$ 229,749,799
Total net debt applicable to limit	-	-	21,654,000	20,794,000	19,919,000
Legal debt margin	\$ -	\$ -	\$ 160,543,881	\$ 182,980,411	\$ 209,830,799
Total net debt applicable to the limit as a percentage of debt limit	#DIV/0!	#DIV/0!	11.88%	10.20%	8.67%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Closter Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	8,421	\$ 331,775,715	\$ 39,399	0.0%
2003	8,453	343,693,638	40,659	0.0%
2004	8,507	356,957,699	41,960	0.0%
2005	8,528	369,289,713	43,303	1.7%
2006	8,549	382,045,451	44,689	2.1%
2007	8,590	396,161,782	46,119	1.9%
2008	8,621	410,314,397	47,595	2.4%
2009	8,675	426,096,818	49,118	4.4%
2010	8,608	431,587,904	50,138	4.5%
2011	8,608 (Est.)	445,398,717	51,742 (Est.)	

Demarest Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	4,865	\$ 268,852,435	\$ 55,263	0.0%
2003	4,859	277,382,048	57,086	0.0%
2004	4,870	287,184,327	58,970	0.0%
2005	4,923	299,889,963	60,916	3.8%
2006	4,998	314,505,806	62,926	4.0%
2007	5,065	329,239,692	65,003	3.6%
2008	5,104	342,723,374	67,148	4.7%
2009	5,152	357,362,712	69,364	8.4%
2010	5,050	361,019,450	71,489	8.6%
2011	5,050 (Est.)	371,850,034	73,634 (Est.)	

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development
 Personal income has been estimated based upon the municipal population and per capita personal income presented
 Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Harrington Park Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	4,731	\$ 194,690,160	\$ 41,152	0.0%
2003	4,793	201,975,383	42,140	0.0%
2004	4,829	208,376,229	43,151	0.0%
2005	4,826	213,244,698	44,187	2.5%
2006	4,813	217,774,359	45,247	2.7%
2007	4,830	223,788,605	46,333	2.4%
2008	4,848	230,013,542	47,445	3.1%
2009	4,870	236,602,709	48,584	5.6%
2010	4,840	241,283,680	49,852	5.8%
2011	4,840 (Est.)	248,522,190	51,348 (Est.)	

Haworth Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	3,387	\$ 163,747,801	\$ 48,346	0.0%
2003	3,379	168,098,503	49,748	0.0%
2004	3,374	172,717,406	51,191	0.0%
2005	3,360	176,988,757	52,675	3.5%
2006	3,363	182,284,040	54,203	3.8%
2007	3,377	188,351,123	55,775	3.4%
2008	3,400	195,133,325	57,392	4.4%
2009	3,422	202,091,435	59,057	7.9%
2010	3,382	204,824,066	60,563	8.0%
2011	3,382 (Est.)	210,763,964	62,319 (Est.)	

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development
 Personal income has been estimated based upon the municipal population and per capita personal income presented
 Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Northvale Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	4,502	\$ 133,604,962	\$ 29,677	0.0%
2003	4,498	136,356,209	30,315	0.0%
2004	4,509	139,628,501	30,967	0.0%
2005	4,490	142,029,498	31,632	2.3%
2006	4,467	144,339,944	32,313	2.5%
2007	4,501	148,565,499	33,007	2.2%
2008	4,693	158,233,297	33,717	2.9%
2009	4,807	165,561,677	34,442	5.2%
2010	4,593	161,338,311	35,127	5.4%
2011	4,593 (Est.)	164,807,085	35,882 (Est.)	

Norwood Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	6,100	\$ 198,170,700	\$ 32,487	0.0%
2003	6,107	202,366,071	33,137	0.0%
2004	6,138	207,461,176	33,799	0.0%
2005	6,147	211,920,679	34,475	4.0%
2006	6,137	215,807,443	35,165	4.2%
2007	6,153	220,697,484	35,868	3.8%
2008	6,182	226,172,417	36,586	4.9%
2009	6,210	231,740,751	37,317	8.8%
2010	6,158	234,385,796	38,062	9.0%
2011	6,158 (Est.)	239,073,512	38,823 (Est.)	

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development
 Personal income has been estimated based upon the municipal population and per capita personal income presented
 Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Old Tappan Borough

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	5,660	\$ 287,411,956	\$ 50,779	0.0%
2003	5,751	297,669,125	51,760	0.0%
2004	5,787	305,313,446	52,759	0.0%
2005	5,805	312,173,976	53,777	2.9%
2006	5,884	322,529,290	54,815	3.1%
2007	5,958	332,888,674	55,873	2.8%
2008	5,996	341,477,560	56,951	3.6%
2009	6,054	351,434,979	58,050	6.5%
2010	5,943	351,528,450	59,150	6.7%
2011	5,943 (Est.)	358,383,255	60,303 (Est.)	

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development
Personal income has been estimated based upon the municipal population and per capita personal income presented
Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

Principal Employers
Current Year and Ten Years Ago
Unaudited

Employer	2011			2000		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
		Not Available			Not Available	
	0		0.00%	0		0.00%

Source: Economic Development Partnership

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Full-time Equivalent District Employees by Function/Program
Last Seven Fiscal Years
Unaudited**

<u>Function/Program</u>	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction										
Regular				197	208	203	196	193	189	186
Special education				20	19	28	26	26	27	26
Support Services:										
Student and instruction related services				23	23	23	23	23	23	22
School administrative services				12	12	12	12	12	12	12
General administrative services				7	7	7	7	6	6	5.4
Central Services				8	8	8	8	8	8	8
Administrative information technology				13	13	13	13	13	13	13
Plant operations and maintenance				25	29	29	32	30	30	29
Pupil transportation				2	2	2	2	2	2	2
Child Care				1	1	1	1	1	1	1
Regional Special Education				65	69	67	64	64	64	64
Regional Transportation				2	2	2	2	2	2	2
Total	0	0	0	375	393	395	386	380	377	370.4

Source: District Personnel Records

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Pupil/Teacher Ratio											
	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2002	2,113	31,272,620	14,800	0.88%	242			1:16.1	2,113	2,045	2.62%	96.78%
2003	2,235	34,658,912	15,507	4.76%	250			1:16.2	2,235	2,155	5.77%	96.42%
2004	2,282	38,046,108	16,672	7.51%	251			1:16.5	2,282	2,204	2.10%	96.58%
2005	2,354	39,092,060	16,607	-0.39%	270			1:16.8	2,354	2,270	3.16%	96.43%
2006	2,453	41,002,454	16,715	0.65%	177			1:14.0	2,409	2,325	2.34%	96.51%
2007	2,476	45,891,447	18,535	10.88%	212			1:12.2	2,431	2,329	0.90%	95.81%
2008	2,597	47,780,351	18,398	-0.73%	222			1:11.3	2,571	2,469	5.77%	96.01%
2009	2,659	48,469,264	18,228	-0.92%	220			1:12.1	2,554	2,455	-0.66%	96.12%
2010	2,591	49,990,030	19,294	5.84%	220			1:11.8	2,553	2,455	-0.04%	96.16%
2011	2,535	50,459,784	19,905	3.17%	220			1:11.4	2,559	2,462	0.24%	96.21%

Source: District records

Note: Enrollment based on annual October district count.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

District Building	School Building Information Last Ten Fiscal Years Unaudited									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Demarest High School (1950) (2004)	102538	102538	164000	164000	164000	164000	164000	164000	164000	164000
Square Feet	633	633	1234	1234	1234	1234	1234	1234	1234	1234
Capacity (students)										
Enrollment				1149	1186	1222	1220	1212	1212	1212
Old Tappan High School (1950) (2004)	119986	119986	177800	177800	177800	177800	177800	177800	177800	177800
Square Feet	808	808	1349	1349	1349	1349	1349	1349	1349	1349
Capacity (students)										
Enrollment				1280	1267	1334	1333	1346	1346	1346
Central Administration (1981)	9500	9500	9500	9500	9500	9500	9500	9500	9500	9500
Square Feet										

Number of Schools at June 30, 2011
 Elementary = 0
 Middle School = 0
 Senior High School = 2
 Other = 1

Source: District Facilities Office

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

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**
General Fund
Schedule of Required Maintenance for School Facilities
Last Eight Fiscal Years
Unaudited

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

School Facilities	Project #(s)	Gross Building Area (SFE)	Ten Year Total	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Demarest High School	SP202013	164,000	\$ 2,578,293	\$ 189,521	\$ 212,317	\$ 246,109	\$ 257,164	\$ 278,836	\$ 261,008	\$ 246,200	\$ 137,583	\$ 311,752	\$ 437,702
Old Tappan High School	SP202012	177,800	2,702,473	201,350	230,183	266,818	255,196	286,091	264,958	266,761	149,073	337,787	474,266
John J. Haworth Administration Building		9500	184,091	15,755	12,288	9,210	30,116	23,306	27,886	14,234	7,954	18,024	25,306
Total School Facilities		351,300	\$ 5,464,857	\$ 406,626	\$ 454,799	\$ 522,137	\$ 542,476	\$ 558,332	\$ 553,853	\$ 527,195	\$ 294,611	\$ 667,564	\$ 937,264

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

Source: Northern Valley Regional High School District records.

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Insurance Schedule
As of June 30, 2011
Unaudited**

	<u>Coverage</u>	<u>Deductible</u>
New Jersey School Boards Association Insurance Group:		
Multi Peril Package Policy:		
Commercial General Liability	\$ 11,000,000	\$ -
Employee Dishonesty	1,000,000	
Business Automobile Liability	11,000,000	1,000
School Board Legal Liability	11,000,000	15,000
Workers' Compensation	2,000,000	
Selective Insurance Co.		
Property - Blanket Building and Contents- Includes Energy Systems	83,681,567	5,000
Fireman's Fund:		
Excess Umbrella Liability	50,000,000	
Bollinger Insurance Co.		
Student Accident	1,000,000	
Surety Bonds:		
Treasurer of School monies	270,000	
Board Secretary	85,000	

Source: District records

Single Audit Section

T. M. Vrabel & Associates, LLC
Accountants and Auditors

K-1
Sheet 1

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President
Members of the Board of Education
Northern Valley Regional High School District
County of Bergen, New Jersey

We have audited the basic financial statements of the Northern Valley Regional High School District as of and for the year ended June 30, 2011, and have issued our report thereon dated September 26, 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 in compliance with audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Northern Valley Regional High School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Northern Valley Regional High School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Northern Valley Regional High School District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

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Our consideration of the 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 to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northern Valley Regional High School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Governmental Auditing Standards and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

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



Timothy M. Vrabel
Public School Accountant
License No. CS000698



Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

September 26, 2011

T. M. Vrabel & Associates, LLC
Accountants and Auditors

K-2
Sheet 1

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

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

The Honorable President
Members of the Board of Education
Northern Valley Regional High School District
County of Bergen, New Jersey

Compliance

We have audited the compliance of the Northern Valley Regional High School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey Compliance Manual State Grants Compliance Supplement that are applicable to each of its major federal and state programs for the year ended June 30, 2011. Northern Valley Regional High School District 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 Northern Valley Regional High School District's management. Our responsibility is to express an opinion on Northern Valley Regional High School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 Office of Management and Budget Circular Letter 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 Letter 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 Northern Valley Regional High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Northern Valley Regional High School District's compliance with those requirements.

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In our opinion, the Board of Education of the Northern Valley Regional High School District, in the County of Bergen, 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.

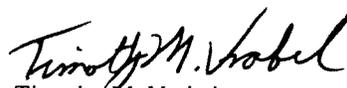
Internal Control Over Compliance

The management of Northern Valley Regional High School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Northern Valley Regional High School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of the Northern Valley Regional High School District's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Northern Valley Regional High School District'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 in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state will not be prevented or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and 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 solely for the information and use of management, the Northern Valley Regional High School District, the New Jersey State Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.


Timothy M. Vrabel
Public School Accountant
License No. CS000698


Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

September 26, 2010

**BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA or Grant Number	Grant Period	Award Amount	Balance July 1, 2010	Adjustments	Cash Received	BUDGETARY EXPENDITURES		Repayment of Prior Years' Balances	Accounts Receivable	Balance June 30, 2011 Deferred Revenue	Due to Grantor
							Disbursements	Accounts Payable				
U.S. Department of Education Passed - Through State Department of Education:												
E.S.E.A. Title I	84 010A	9/1/10-8/31/11	\$ 41,604.00	\$ -	\$ -	\$ 41,604.00	\$ 41,604.00	\$ -	\$ -	\$ -	\$ -	\$ 37.00
E.S.E.A. Title I	84 010A	9/1/08-8/31/09	67,945.00	37.00	-	136,464.83	152,615.90	-	(16,151.07)	-	-	-
E.S.E.A. Title II A	84 367A	9/1/10-8/31/11	154,535.00	(28,052.95)	-	46,123.17	18,070.22	-	-	-	-	-
E.S.E.A. Title II A	84 367A	9/1/09-8/31/10	157,210.00	-	-	-	-	-	-	-	-	-
E.S.E.A. Title II D	84 367A	9/1/10-8/31/11	63.00	-	-	100,344.69	106,099.60	640.98	(6,395.89)	-	-	-
E.S.E.A. Title III	84 365A	9/1/10-8/31/11	106,995.00	(102,517.31)	-	102,517.31	-	-	-	-	-	2,950.30
E.S.E.A. Title III	84 365A	9/1/09-8/31/10	126,614.00	(4,378.70)	-	7,330.00	-	-	-	-	-	1,511.00
E.S.E.A. Title IV	84 186A	9/1/09-8/31/10	12,034.00	1,511.00	-	-	-	-	-	-	-	325.00
E.S.E.A. Title V - Carryover	84 298A	9/1/08-8/31/09	9,907.00	323.00	-	-	-	-	-	-	-	-
E.S.E.A. Title V - Carryover	84 298A	9/1/07-8/31/08	11,464.00	-	-	-	-	-	-	-	-	-
I.D.E.A. Part B, Basic	84 027A	9/1/10-8/31/11	471,228.00	(185,428.43)	-	471,228.00	471,228.00	-	-	-	-	299.55
I.D.E.A. Part B, Basic	84 027A	9/1/09-8/31/10	462,369.00	(181,472.55)	-	222,362.00	36,634.02	-	-	-	-	2,489.32
ARRA I.D.E.A., Basic	84 391	7/1/09-8/31/11	618,861.00	225.70	-	253,352.00	89,390.13	-	-	-	-	225.70
Foreign Languages Assistance	84 293B	8/15/06-9/14/09	72,695.00	-	-	-	-	-	-	-	-	1,420.82
Vocational Education - Carl Perkins Grant	84 048A	9/1/05-8/31/06	38,209.00	1,420.82	-	-	-	-	-	-	-	-
Total U.S. Department of Education				(478,331.42)		1,381,326.00	915,641.87	640.98		(22,546.96)		9,258.89
Total Federal Financial Assistance				\$ (478,331.42)		\$ 1,381,326.00	\$ 915,641.87	\$ 640.98		\$ (22,546.96)		\$ 9,258.89

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

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011

Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state programs of the Northern Valley Regional High School District Board of Education. The Board of Education is defined in Note I:B. to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes I:E and Note I:F. to the Board's basic financial statements. The information in the schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the 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 are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent year due to the state deferral and recording of the state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more deferred June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011
(CONCLUDED)

Note 3: Relationship to Basic Financial Statements (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$163,013.00 for the general fund and \$-0- 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>Total</u>
General Fund	\$ -0-	\$ 4,550,202.68	\$ 4,550,202.68
Special Revenue Fund	916,282.85	92,736.00	1,009,018.85
Debt Service Fund	<u>-0-</u>	<u>92,605.00</u>	<u>92,605.00</u>
Total Awards and Financial Assistance	<u>\$ 916,282.85</u>	<u>\$ 4,735,543.68</u>	<u>\$ 5,651,826.53</u>

Note 4: Relationship to State Financial Reports

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

Note 5: Other

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for post-retirement medical benefits and the normal and accrued liability pension costs 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.

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Part I – Summary of Auditor’s Results

Financial Statement Section

- A) Type of auditor’s report issued: Unqualified
- B) Internal Control over financial reporting:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- C) Noncompliance material to basic financial statements noted? Yes X no

Federal Awards Section Not Applicable

- D) Dollar Threshold used to determine Type A Programs \$ 300,000.00 :
- E) Auditee qualified as low-risk Auditee? X yes no
- F) Type of auditor’s report on compliance for major programs Unqualified
- G) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- H) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510 (a))? yes X no

I) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027A</u>	<u>I..D.E..A. Part B Basic</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011
Part I – Summary of Auditor’s Results (Continued)

State Financial Assistance Section

- F) Dollar threshold used to determine Type A Programs \$ 300,000.00
- K) Auditee qualified as low-risk auditee? X yes no
- L) Type of auditor’s report on compliance for major programs. Unqualified
- M) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04? yes X no

O) Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
11-100-034-5120-473	Extraordinary Aid
11-495-034-5095-002	Reimbursed T.P.A..F. Social
	Security Contributions

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)

Part 2 – Schedule of Financial Statement Findings

This section identifies the Significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of Government Auditing Standards.

Not Applicable

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)

Part 3 – Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

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

Not Applicable

BOARD OF EDUCATION
NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2011

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a) (b)) and New Jersey OMB's Circular 04-04.

Not Applicable