

**SCHOOL DISTRICT  
OF  
PASCACK VALLEY REGIONAL**

**Pascack Valley Regional High School District  
Montvale, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2011**

**Comprehensive Annual  
Financial Report**

**of the**

**Pascack Valley Regional High School District**

**Montvale, New Jersey**

**For the Fiscal Year Ended June 30, 2011**

**Prepared by**

**Pascack Valley Regional High School District  
Board of Education**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2011

INTRODUCTORY SECTION

Letter of Transmittal .....	1
Organizational Chart.....	11
Roster of Officials.....	12
Consultants and Advisors .....	13

FINANCIAL SECTION ..... 14

Independent Auditors' Report .....	15
Required Supplementary Information .....	17
Management's Discussion and Analysis (Unaudited).....	18

Basic Financial Statements (Sections A. and B.)..... 31

A. District-Wide Financial Statements .....	32
A-1 Statement of Net Assets.....	33
A-2 Statement of Activities .....	34
B. Fund Financial Statements .....	36
B-1 Balance Sheet – Governmental Funds.....	37
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds .....	38
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	39
B-4 Statement of Net Assets – Proprietary Funds.....	40
B-5 Statement of Revenue, Expenses and Changes in Fund Net Assets – Proprietary Funds.....	41
B-6 Statement of Cash Flows – Proprietary Funds .....	42
B-7 Statement of Fiduciary Net Assets – Fiduciary Funds .....	43
B-8 Statement of Changes in Fiduciary Net Assets – Fiduciary Funds .....	44
Notes to the Basic Financial Statements .....	45

Supplementary Schedules (Sections C. to I.)

C. Budgetary Comparison Schedules (Unaudited) .....	68
C-1 Budgetary Comparison Schedule – General Fund .....	69
C-2 Combining Budgetary Schedule – Special Revenue Fund.....	85
C-3 Budgetary Comparison Schedule – Notes to Required Supplementary Information .....	86
D. School Level Schedules (Not Applicable) .....	88
E. Special Revenue Fund.....	89
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis .....	90
E-2 Preschool Education Aid Schedule of Expenditures Special Revenue Fund – Budgetary Basis (Not Applicable)	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

TABLE OF CONTENTS

FISCAL YEAR ENDED JUNE 30, 2011

(Continued)

FINANCIAL SECTION (Cont'd)

F.	Capital Projects Fund .....	93
F-1	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance .....	94
F-1a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Construct and Equip Additions and Renovations to Both High Schools .....	95
F-1b	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Window Replacement at Pascack Valley High School.....	96
F-1c	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Renovation of Existing Pre-K Classroom at Pascack Valley High School.....	97
F-1d	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Renovation of Pascack Hills High School Auditorium.....	98
F-1e	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Renovation to Dance and Fitness Rooms at Pascack Valley High School .....	99
F-1f	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Window Replacement at Pascack Hills High School.....	100
F-1g	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Roof Replacement at Pascack Hills High School .....	101
F-1h	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Construction of Science Lab at Pascack Valley High School.....	102
F-1i	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Roof Replacement at Pascack Valley High School .....	103
F-1j	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Renovation of Life Skills Classroom and Upgrade of Life Skills HVAC System at Pascack Valley High School .....	104
F-1k	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Upgrade of Existing Elevator at Pascack Valley High School .....	105
G.	Proprietary Funds .....	106
	Enterprise Fund:	
G-1	Combining Statement of Net Assets.....	107
G-2	Combining Statement of Revenue, Expenses and Changes in Fund Net Assets.....	108
G-3	Combining Statement of Cash Flows .....	109
H.	Fiduciary Funds.....	110
H-1	Combining Statement of Fiduciary Net Assets .....	111
H-2	Statement of Changes in Fiduciary Net Assets .....	112
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements .....	113
H-4	Student Activity Agency Fund Statement of Activity.....	114
H-5	Payroll Agency Fund Schedule of Receipts and Disbursements.....	115
H-6	Professional Development Costs Agency Fund Schedule of Receipts and Disbursements .....	116
H-7	E-Learning Agency Fund Schedule of Receipts and Disbursements .....	117
I.	Long-Term Debt.....	118
I-1	Schedule of Serial Bonds.....	119
I-2	Schedule of Obligations Under Capital Leases .....	120
I-3	Debt Service Fund Budgetary Comparison Schedule (Unaudited) .....	121

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

TABLE OF CONTENTS

FISCAL YEAR ENDED JUNE 30, 2011

(Continued)

STATISTICAL SECTION

J.	Statistical Section (Unaudited).....	122
J-1	Net Assets by Component .....	123
J-2	Changes in Net Assets .....	124
J-3	Fund Balances- Governmental Funds .....	127
J-4	Changes in Fund Balances- Governmental Funds.....	128
J-5	General Fund Other Local Revenue by Source.....	130
J-6	Assessed Value and Actual Value of Taxable Property .....	131
J-7	Direct and Overlapping Property Tax Rates.....	132
J-8	Principal Property Tax Payers .....	134
J-9	Property Tax Levies and Collections .....	136
J-10	Ratios of Outstanding Debt by Type.....	138
J-11	Ratios of Net General Bonded Debt Outstanding .....	139
J-12	Ratios of Overlapping Governmental Activities Debt .....	140
J-13	Legal Debt Margin Information .....	141
J-14	Demographic and Economic Statistics .....	142
J-15	Principal Employers .....	144
J-16	Full-Time Equivalent District Employees by Function/Program.....	146
J-17	Operating Statistics.....	147
J-18	School Building Information.....	148
J-19	Schedule of Required Maintenance for School Facilities .....	149
J-20	Insurance Schedule.....	150
K.	SINGLE AUDIT SECTION .....	152
K-1	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	153
K-2	Independent Auditors' Report on Compliance with Requirements that could have A Direct and Material Effect on each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular NJOMB 04-04 .....	155
	Schedule of Expenditures of Federal Awards .....	157
	Schedule of Expenditures of State Awards .....	158
	Notes to the Schedules of Expenditures of Federal and State Awards.....	160
	Schedule of Findings and Questioned Costs .....	162
	Summary Schedule of Prior Audit Findings .....	164

**INTRODUCTORY SECTION**

# PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

46 Akers Avenue  
Montvale, New Jersey 07645-2028

Mr. P. Erik Gundersen  
Superintendent of Schools

Yas Usami  
Business Administrator/Board Secretary

November 11, 2011

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

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Pascack Valley Regional High School District for the fiscal year ended June 30, 2011. This CAFR includes the district's basic financial statements prepared in accordance with pronouncements of the Governmental Accounting Standards Board. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the district. To the best of our knowledge and belief, data presented in this report is accurate in all materials respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis and the Basic Financial Statements and Notes, providing an overview of the school district's financial position and operating results and supplementary schedules providing detailed budgetary information;
- The Statistical Section includes selected financial and demographic information, financial trends, and the fiscal capacity of the school district, generally presented on a multi-year basis;

The Single Audit Section – The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, as amended, the U.S. Office Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the State Treasury Circular Letter NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the independent auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

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HILLSDALE

MONTVALE

RIVERVALE

WOODCLIFF LAKE

*Schools and Communities – Partners in Education*

## 1) REPORTING ENTITY AND ITS SERVICES

The Pascack Valley Regional High School District is an independent reporting entity within the criteria adopted by the GASB in codification section 2100. All funds of the district are included in this report. The Pascack Valley Regional Board of Education and all its schools constitute the district's reporting entity. The district is comprised of two high schools. Pascack Hills High School, which is located in Montvale, receives students from the towns of Montvale and Woodcliff Lake. Pascack Valley High School, located in Hillsdale, is the receiving school for students who reside in the towns of Hillsdale and River Vale.

The district continues to provide excellent educational opportunities for its students. Pascack Hills and Pascack Valley High Schools are outstanding secondary institutions, offering students rigorous, stimulating, and diverse academic programs, delivered by an experienced and dedicated faculty. Our students perform at an extraordinarily high level, while maintaining substantial involvement in interscholastic sports, clubs and activities and community service. Both schools have been consistently recognized as among the best high schools in New Jersey.

The Pascack Valley Regional High School District provides a full range of educational services appropriate for grade levels 9 through 12. These include regular, as well as, special education for handicapped youngsters. As of June 30, 2011 Pascack Hills High School reported a student enrollment of 827 and Pascack Valley High School had 1,228 students on roll. The district completed the 2010-2011 fiscal year with a total enrollment of 2,055 students, which represents an increase of 9.78% from the previous year's enrollment. The following chart details the changes in the student enrollment of the District over the last ten years.

**Average Daily Enrollment**

<b>Fiscal Year</b>	<b>Student Enrollment</b>	<b>Percent Change</b>
2001-2002	1,494	4.11%
2002-2003	1,550	3.75%
2003-2004	1,601	3.29%
2004-2005	1,691	5.62%
2005-2006	1,779	5.20%
2006-2007	1,836	3.20%
2007-2008	1,903	3.65%
2008-2009	1,868	-1.84%
2009-2010	1,872	0.21%
2010-2011	2,055	9.78%

**Source: District Records**

The administrative team for the Pascack Valley Regional High School District consists of a District Superintendent, a Director of Curriculum Instruction and Assessment, a School Business Administrator/Board Secretary, and seven district wide curriculum supervisors. Pascack Hills High School administration is comprised of a principal, assistant principal, and athletic director/assistant principal. A slightly larger student population, Pascack Valley High School is led by a principal, two assistant principals, and an athletic director.

School districts in New Jersey are legally classified as Type I or Type II. Pascack Valley Regional High School District is one of 68 regional school districts in the state with a nine member, elected board of education. Board members are elected at the annual school election for terms of three years. Meetings of the Pascack Valley Regional Board of Education are held on the first and third Monday of each month. During its meetings, the board determines district goals and priorities and conducts the business of the board of education. Board meetings are open to the public and begin at 7:30 P.M.

To maintain effective communications, the District produces community newsletters. The *Report* and *Pascack Regional Schools* are sent to all parents of children in the district. The *Report* is sent, as needed, to update the public on construction projects and other happenings in the district. Information about the budget is mailed in a special newsletter to all members of the community during the budget review process. Another monthly publication, *Bulletin*, summarizes the regular board meeting actions and is sent to all staff and is posted on the district's website.

### **PASCACK HILLS HIGH SCHOOL**

Pascack Hills High School is an outstanding institution, offering students a rigorous, stimulating, and diverse academic program delivered by an experienced and dedicated faculty. Our students perform at an extraordinarily high level while maintaining substantial involvement in interscholastic sports, clubs and activities, and community service. Pascack Hills High School has been consistently recognized as one of the best high schools in New Jersey.

Both high schools in the Pascack Valley Regional High School District are the first in New Jersey to provide wireless laptops to all students and teachers to be used in classrooms and at home. Now in the eighth year of implementation, the impact of this initiative on teaching and learning has been substantial, communication between school and home and among teachers is vastly enhanced, and students report that their organizational and study skills are greatly improved. We are using Web 2.0 resources as we continue to explore the vast possibilities of the global network.

The program of studies at Pascack Hills High School offers a challenging Honors and Advanced Placement Program, two Syracuse University Project Advance courses, specialized electives, and unique programs in humanities, molecular genetics, and video production. The performance of our students has been exceptional. Academic honors awarded to members of the Class of 2011 include seven National Merit Commended students and 15 Advanced Placement Scholars, 7 Advanced Placement Scholars with Honors, and 10 Advanced Placement Scholars with Distinction.

Pascack Hills High School students are also extensively involved in extracurricular activities. We are proud of how our students perform academically within the classroom, artistically on our stage, and athletically on our playing fields. We are extremely proud of the willingness of so many of our students to give of themselves to our community.

We owe much of our success to our parent community. Both directly and indirectly, our parents collaborate with school personnel and function as partners in motivating our students and applauding their achievements. An active Parent Faculty Association provides the formal link between home and school.

Pascack Hills High School participates actively in the Pascack Valley Interdistrict Articulation Program, which coordinates the curriculum between the middle schools and the regional high schools. Regular committee meetings are held throughout the school year to ensure curriculum alignment with the sending districts.

Our students will live in a world of global challenge and opportunity. At Pascack Hills High School, a talented faculty, a resourceful community, and an ambitious student body converge to accept the challenge and engage that opportunity.

## **PASCACK VALLEY HIGH SCHOOL**

Pascack Valley High School is a school that focuses on academic excellence and challenges each of its students to meet high expectations. The student/teacher ratio enables the staff to work individually and in clusters with students to maintain high academic standards while meeting student needs. Academic excellence is the foundation of student life. During the 2010-2011 school year, we had 1 National Merit Finalist and there were 8 National Merit Commended Students. We had 1 National AP Scholar, 7 students achieve AP Scholar with Distinction status, 13 AP Scholar with Honors, 29 students received AP Scholar status. In addition, we had a National Hispanic AP Scholar.

There is a broad array of courses that focus on the individual needs of students. Follow-up surveys and visitations by alumni provide consistent feedback, indicating the high level of academic preparation that they have received from their high school experience.

The Student Council is an exceptional group involved in the essence of student life at Pascack Valley. Dedicated to student issues and service to the community, it is truly a student government. Members of the executive council meet on a regular basis to be proactive in creating a positive atmosphere within the building along with reaching out to help the community. All students are encouraged to become engaged in student clubs and activities. This past year, each grade level committed themselves to supporting a charitable cause by raising funds and awareness throughout the school year. Getting involved in positive, focused activities enhances student life and their school experiences. Community service to our local community and the community-at-large is a major commitment by groups within the school. Student opportunities for development and growth are explored beyond the classroom in a variety of co-curricular activities and athletic programs. In 2010-2011, our district-wide Robotics team continued to gain national recognition garnering multiple regional championships and performing extremely well in the national competition.

The student support services include a Child Study Team and a skilled guidance staff. An Intervention and Referral Services Team specializes in early intervention of at-risk students, and the Student Assistance Coordinator provides services and strategies that focus on prevention and intervention. These carefully coordinated services provide on-going support for students and their families. These personnel are committed to servicing the needs of Pascack Valley students at an exceptional level. The staff at Pascack Valley High School is pleased to provide a supportive environment that expands student experiences and involvement as they develop toward their potential. In 2010-2011 we introduced a new special education program, Park@PVR, in order to meet the needs of some of our district's special education students that were being educated not in the district.

## **PARENT/FACULTY ORGANIZATIONS**

A very active parent association provides an extremely valuable source of support for our students. The PFA (Parent Faculty Association) at Pascack Hills High School and the PFO (Parent Faculty Organization) at the Pascack Valley High School work well with school personnel and act as partners in motivating our students and applauding their achievements.

## **CURRICULUM AND INSTRUCTION**

The office of Curriculum, Instruction, and Assessment has many areas of responsibility. This office is organized as follows: a Director, Supervisor of Mathematics and Art, Supervisor of Science and Technology Education, Supervisor of Special Education, Supervisor of Guidance, Supervisor of World Languages, Music and Family and Consumer Sciences, Supervisor of Social Studies and Physical and Health Education, Supervisor of English and Media Services, and Director of Instructional Technology.

The stated mission of the office of Curriculum, Instruction, and Assessment is to prepare students to be knowledgeable and productive citizens in our society. To make this goal a reality, the office of Curriculum, Instruction, and Assessment works with the district's energetic, knowledgeable, and professional staff. Furthermore, the district has established innovative ways to articulate and communicate curriculum among the five districts of Hillsdale, Montvale, River Vale and Woodcliff so that students receive a quality K-12 education.

Another area of responsibility of the office of Curriculum, Instruction, and Assessment is to monitor the district curriculum, making certain that it is equivalent in both high schools and that it meets the needs of students as they enter the 21<sup>st</sup> century. The curriculum of the Pascack Valley Regional High School District is designed to provide students with a rigorous and meaningful educational experience. Students are provided with a firm grounding in the core content areas while independent and critical thinking skills, as well as oral and written expression, are emphasized. College Preparatory, Honors and Advanced Placement and college level courses challenge all students to meet high district expectations.

A goal of the district is to provide differentiated instruction that meets the wide range of student learning. Through staff development opportunities, this office encourages teachers to use a wide variety of instructional strategies and methods of assessment, thus providing students with multiple opportunities to learn and demonstrate understanding and mastery of the material. Teachers are supported and encouraged to infuse technology into instruction so that students learn and practice skills that will serve them in the future.

The Pascack Valley Regional High School District's Professional Development Committee continues to develop plans to provide teachers with multiple opportunities for professional development.

During the 2010-11 school year the Pascack Valley Regional High School District devoted two full days for professional development and five half-days. The first full day professional development day kicked off the year's focus on 21<sup>st</sup> Century Skills. Professional development activities included a full day dedicated to "Race to Nowhere" discussions, while the remaining half days included different conferences, workshops, clinics, articulation meetings and professional development opportunities both within our district, at national and statewide conferences and at workshops offered by other school districts or professional development providers.

### **DISTRICT TECHNOLOGY PLAN**

The state mandatory, Three-Year District Technology Plan was revised during the 2009-2010 academic year and approved by the Bergen County Coordinating Council. The implementation of a *1:1 eLearning Initiative*, which has at its core the issuance of a laptop computer to each teacher and student, continues to be the primary emphasis of the plan. To that end, two key components of the program include an extensive Professional Development program and the continued support for a Technology Steering Committee. The Technology Steering Committee is comprised of approximately 25 teachers, district administrators, parents and students whose role it is to help guide the district through the development and implementation of the district's Three-Year District Technology Plan. The work of this committee also provides direction and impact to the work of the district's Professional Development Committee. The district has assumed the responsibility of its Professional Development activities, sponsoring a wide variety of workshops. District instructional and supervisory staff acted as teachers of these workshops, ranging from software skill learning, to successful integration into instruction. Experts in curriculum delivery and technology integration from outside the district are engaged when appropriate to provide Professional Development opportunities for our district staff. The district supports virtually any teacher interested in additional PD opportunities outside of the district, including workshops and course work. The district Technology Supervisor serves a chair of the 5-district Technology Articulation Committee. The charge of this committee is to enhance the successful integration of technology throughout the K-12 curriculum. This multifaceted program continues to address the instructional goals of the District Three-Year Technology Plan by focusing on the effective use of the technology tools to enhance student learning and achievement.

The continued growth of the use of staff email and of our website contributes to our efforts to enhance communication with our community. Website pages support each instructional and non-instructional area of the school, and each staff member is required to maintain a website that includes important course information and support materials. Staff email and phone contact information is also readily available on the site, along with our district Program of Studies, student expectations, summer reading requirements, Board of Education meeting agendas and minutes, as well as many other important district informational items. Enhancing our ability to communicate with our district's parents is our student information system, *Genesis*. *Genesis* includes a robust parent portal called *Parent Access*. This portal allows parents to login at any time to view their child's attendance, grading, scheduling, and discipline records. The district continues to distribute progress reports and report cards via this parent portal.

Lastly, the *Parent Access* portal includes a powerful email function allowing district and building administrators to email district parents directly with information on any building or district news and events. The Board of Education employs an approach called "*The Paperless Board Meeting*", whereby all trustees are issued a district laptop, and the traditional mailings were no longer mailed to their homes. Instead, BOE members log in on a secure web site to retrieve all documentation needed for the upcoming meeting. These laptops are used during the meetings as well for quick access to all pertinent agenda related materials.

In the event of a school closing or other emergency, the district also employs an Emergency Notification System that can be activated to deliver calls to all district home phones and cell phones.

### **SPECIAL SERVICES**

The Special Services Department of Pascack Valley Regional High School District is proud of its record of providing specialized services to students experiencing academic difficulties. The Special Services staff believes that all students can learn and is committed to providing those services to students, which will ensure academic success. The department is comprised of two Child Study Teams, two psychologists, two social workers, and two learning consultant, along with teachers and instructional assistants. A team of skilled professionals provides a wide range of educational, counseling and evaluation services. Students may be referred for the evaluation process by parents, guidance counselors, administrators and teachers. Those students found eligible for special education may receive specialized instruction through in-class support collaborative teams, resource programs and self-contained special education classes. Transition services, along with counseling, and speech and language therapy, are provided to assist students with meeting post-secondary goals.

The special education program in the Pascack Valley Regional High School District offers a full continuum of alternative placements to classified students seeking a high school diploma. Two complete child study teams, one in each school, manage the cases of classified in-district and out-of-district students.

Pascack Valley High School has 192 classified students in attendance and Pascack Hills High School has 134 classified students. There are an additional 36 students placed out-of-district in county and private facilities.

In-district placement options enable classified students to be fully mainstreamed in regular education classes. Inclusive education provides for in-class support in collaborative classes with 44 such classes at Pascack Valley High School and 34 at Pascack Hills High School. Students may also be in resource center classes.

In addition, the district offers two self-contained classes: one for students classified as emotionally disturbed, and one for students who are language and learning disabled. Two full-time psychologists and two full-time social workers and a part-time speech pathologist provide counseling and speech as related services.

## 2) ECONOMIC CONDITION AND OUTLOOK

The economic recovery from the “Great Recession” has been slow over the last couple of years for the nation and New Jersey. Economists are generally forecasting a slow recovery in the foreseeable future. This has led to a reduction in state revenue with fewer companies and consumers contributing to New Jersey’s economy. Consequently, Governor Chris Christie withheld the remainder of state aid to schools in February 2010 and then reduced school aid by \$820 million in fiscal year 2011. Consequently, a New Jersey Superior Court Judge ruled the reduction unconstitutional and aid was restored in fiscal year 2012. However, the district received far less in categorical aid than it was accustomed.

Governor Christie and the other state leaders have lowered the tax levy cap to 2% from the previous 4% cap. This cap not only affects school districts, but now municipalities must operate under the same cap. The state has also taken measures to alleviate school budgets by requiring employees to contribute toward health insurance. They must either contribute 1.5% of their salary or a percentage of their health insurance premium, whichever is higher.

The implications for the Pascack Valley Regional High School District are that suburban districts will receive some state aid. However, the concern is over the disproportionate means utilized to calculate state aid. Thus, the amount will be significantly less than urban and rural districts, as well as significantly less than districts received in the past. The burden of funding school budgets will rely heavily on community taxpayers.

## 3) MAJOR INITIATIVES

Our students continue to score significantly above the state and national average in all standardized measures of achievement. Our juniors, who took the State of New Jersey High School Proficiency Assessment during the academic year, achieved an overall passing rate of 95.0% (Language Arts Literacy), 95.0% (Mathematics). The SAT scores for the district for the Class of 2011 remain substantially above the state and national averages. The mean scores for Pascack Valley High School students were 532 (Critical Reading) and 568 (math). Students attending Pascack Hills High School scored 528 (Critical Reading) and 557 (math). Of the 497 graduates, approximately 99% of the students in the Pascack Valley Regional High School District attend post-secondary education. The district was honored to announce 15 commended and 34 Advanced Placement Scholars. The table shown below presents data on post secondary plans of recent graduates.

**Post Secondary Plans of Recent PVRHSD Graduates**

PVRHSD	2005	2006	2007	2008	2009	2010	2011
Total Graduates	383	418	421	442	453	490	497
% 4 Year College	86	86	83	87	86	87	90
% 2 Year College	9	9	15	10	11	9	9
% Other	5	5	2	3	3	4	1

**Source: District Records**

As in years past, a number of building maintenance projects was completed during the year. In general, the buildings are well maintained. A program of preventive maintenance is in place. The comprehensive maintenance plan (CMP), which is approved by the Board each year, identifies a number of priority facility projects. Funding for these projects is included in the annual budget.

The Pascack Valley Regional School District successfully passed a bond referendum in December of 2003 to address a number of facility needs. Several major projects have been completed, including new boilers at Pascack Valley High School and renovations to approximately 25 classrooms and the cafeteria at Pascack Hills. Asbestos abatement was performed at both Pascack Hills and Pascack Valley High Schools. Renovations to the Pascack Valley High School football field and running track were begun in May, 2005.

The district is very concerned about maintaining a safe and hazard free working environment for students and staff. Annual safety workshops were held for custodial and maintenance employees. This is part of the district's membership in North East Bergen Insurance Group in conjunction with Zurich Insurance Co. In addition, all of the required annual and semi-annual health reports, inspections and public press releases, such as AHERA., Right to Know, Medical Waste Disposal, Fire Inspections, Life Hazard Registry, Lab Safety Standards, have been updated, completed and filed promptly. Arrangements have been made for administering blood borne pathogen injections to new staff in accordance with district policy. All required health and safety certificates and employee notices are on file in each building.

#### **4) INTERNAL ACCOUNTING CONTROLS**

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

As a recipient of federal and state financial awards, the district also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control including that portion related to major federal and state financial award programs, as well as to determine that the district has complied with applicable laws and regulations, contracts and grants.

#### **5) BUDGETARY CONTROLS**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2011.

## **6) ACCOUNTING SYSTEMS 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. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

## **7) CASH MANAGEMENT**

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **8) RISK MANAGEMENT**

The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.

The Board is a member of the Northeast Bergen County School Board Insurance Group, ("NESBIG"). The NESBIG is a risk-sharing public entity risk fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to its members. Additional information on the NESBIG is included in Note 11 to the Basic Financial Statements.

## **9) OTHER INFORMATION**

Independent Audit State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, as amended, and the related Federal OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organization* and New Jersey OMB's Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific, required supplementary information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10) ACKNOWLEDGMENTS

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

Respectfully submitted,

*P. Erik Gundersen*

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Mr. P. Erik Gundersen  
Superintendent

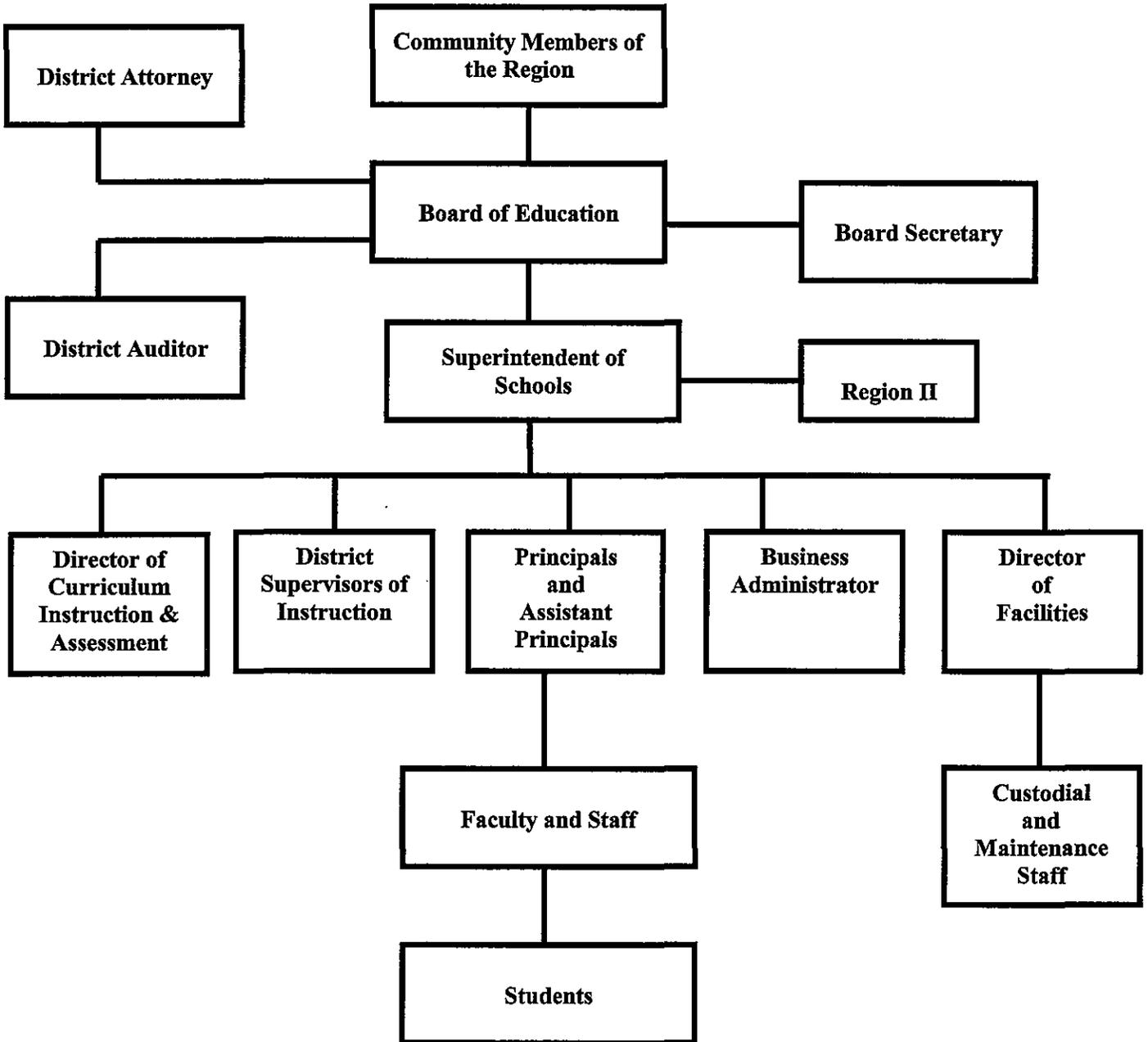
*Yas Usami*

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Yas Usami  
Business Administrator/Board Secretary

# PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

## ORGANIZATIONAL CHART



**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MONTVALE, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2011**

<u>Members of the Board of Education</u>	<u>Term Expires</u>	<u>Sending District</u>
Mr. Jeffrey Steinfeld, President	2012	Hillsdale
Mrs. Beth Politi, Vice President	2014	Montvale
Mr. Herbert Ammerman	2012	River Vale
Mrs. Maura M. Ellis	2013	River Vale
Mr. James Hall	2013	Woodcliff Lake
Mr. Mark Kastan	2012	Montvale
Mr. Alfred J. Murphy, Jr.	2014	Hillsdale
Mr. Bertram Siegel	2014	Woodcliff Lake
Mrs. Nadine Timpanaro	2013	Hillsdale

**Other Officials**

Dr. Robert McGuire, Interim Superintendent

Yas Usami, Business Administrator/Board Secretary

Mr. P. Erik Gundersen, Director of Curriculum, Instruction and Assessment

Mrs. Deborah Carpino, Treasurer

Rodney T. Hara, Solicitor

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**Consultants and Advisors**

**Architect**

Charles L. Koch AIA, PP, NCARP  
Environetics Group Architects, PC  
180 Sylvan Avenue  
Englewood Cliffs, NJ 07632

**Audit Firm**

Nisivoccia LLP  
Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mount Arlington, New Jersey 07856-1320

and

Lawrence Business Park  
11 Lawrence Road  
Newton, NJ 07860

**Attorney**

Stephen R. Fogarty and Rodney T. Hara  
Fogarty and Hara Counselors at Law  
16-00 Route 208 South  
Fair Lawn, NJ 07410

**Official Depository**

TD Bank  
111 Chestnut Ridge Road  
Montvale, NJ 07645

**FINANCIAL SECTION**



Mount Arlington Corporate Center  
 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center  
 11 Lawrence Road  
 Newton, NJ 07860  
 973-383-6699 | 973-383-6555 Fax

### Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Pascack Valley Regional High School District in the County of Bergen as of and for the fiscal year ended June 30, 2011 which collectively comprise the School District's basic financial statements, as listed in the foregoing table of contents. These financial statements are the responsibility of the Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Pascack Valley Regional High School District in the County of Bergen as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

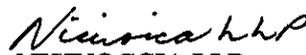
In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2011 on our consideration of the Board of Education of the Pascack Valley Regional High School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

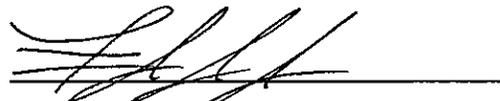
The Honorable President and Members  
of the Board of Education  
Pascack Valley Regional High School District  
Page 2

The Management's Discussion and Analysis section and the Budgetary Comparison Information in Exhibits C-1 through C-3 and I-3 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education of the Pascack Valley Regional High School District's basic financial statements. The accompanying introductory section, other supplementary information such as the combining and individual fund financial statements, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the schedules of expenditures of federal and state awards 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 Nonprofit Organizations*; and New Jersey's OMB Circular NJOMB 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. The supplementary combining and individual fund financial statements, supplementary schedules, and the schedules of expenditures of federal and state awards 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 section 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.

Mount Arlington, New Jersey  
November 11, 2011

  
NISIVOCCIA LLP

  
Francis J. Jones, Jr.  
Licensed Public School Accountant #1154  
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

This section of Pascack Valley Regional High School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2011. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

**Financial Highlights**

- The District's financial status improved by \$3,074,501 on a district-wide basis.
- Overall revenue was \$53.43 million.
- Actual revenue was \$732,539 higher than expected, primarily due to extraordinary special education aid, nonpublic transportation aid, tuition and other miscellaneous revenues.
- Overall expenditures were \$50.35 million.
- Net assets from the District's governmental activities increased \$3,030,586.
- Net assets from the District's business-type activity increased \$43,915.

**Overview of the Financial Statements**

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the fiscal year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**Figure A-1  
Organization of the Board of Education of Pascack Valley Regional  
High School's Financial Report**

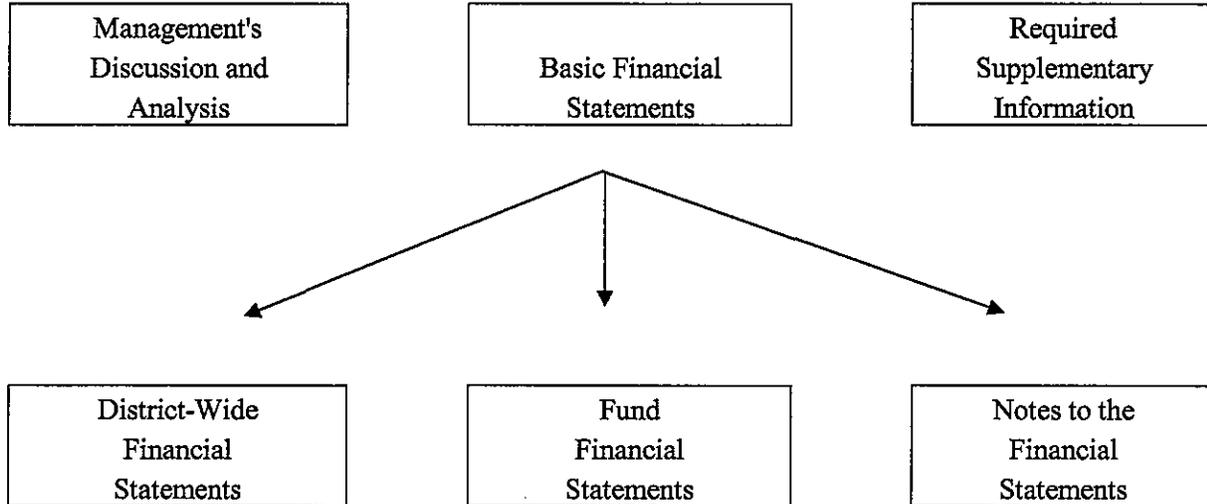


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

Figure A-2

*Major Features of the District-Wide and Fund Financial Statements*

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, region II and transportation	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of revenue, expenses, changes in net assets</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net assets</li> <li>• Statement of changes in fiduciary net assets</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

***District-wide Statements***

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

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

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

In the district-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities:* Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities:* The District charges fees to help it cover the costs of certain services it provides. The District's food service program and regional programs shared with local school districts are included here.

***Fund Financial Statements***

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at fiscal year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

**Pascack Valley Regional High School District**  
**Management Discussion and Analysis**  
**Unaudited**

- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.
- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

**Financial Analysis of the District as a Whole**

*Net Assets.* The District's net assets are shown in Figure A-3. It is important to note here that depreciation of the District's capital assets is computed into the total. The depreciation factored into the District's governmental net assets for 2010/11 is \$471,307. Capital assets and current assets increased as a result of referendum spending during the fiscal year and the addition of various capital projects that will be funded partially with SDA funds.

**Figure A-3**  
**Condensed Statement of Net Assets**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2010/11	Restated 2009/10	2010/11	2009/10	2010/11	Restated 2009/10	2010/11
Current and							
Other Assets	\$ 7,027,330	\$ 5,164,608	\$ 148,778	\$ 102,619	\$ 7,176,108	\$ 5,267,227	36.24%
Capital Assets, Net	59,082,671	55,027,899	18,900	18,546	59,101,571	55,046,445	7.37%
Total Assets	66,110,001	60,192,507	167,678	121,165	66,277,679	60,313,672	9.89%
Long-Term Debt							
Outstanding	32,489,393	29,309,212			32,489,393	29,309,212	10.85%
Other Liabilities	485,952	779,225	5,056	2,458	491,008	781,683	-37.19%
Total Liabilities	32,975,345	30,088,437	5,056	2,458	32,980,401	30,090,895	9.60%
Net Assets:							
Invested in Capital Assets, Net of Related Debt	27,392,740	26,719,872	18,900	18,546	27,411,640	26,738,418	2.52%
Restricted	3,384,970	4,266,055			3,384,970	4,266,055	-20.65%
Unrestricted/(Deficit)	2,356,946	(881,857)	143,722	100,161	2,500,668	(781,696)	419.90%
Total Net Assets	\$ 33,134,656	\$ 30,104,070	\$ 162,622	\$ 118,707	\$ 33,297,278	\$ 30,222,777	10.17%

**Pascack Valley Regional High School District**  
**Management Discussion and Analysis**  
**Unaudited**

*Changes in Net Assets.* The District's combined net assets were \$33,297,278 on June 30, 2011, \$3,074,501 or 10.17% more than they were the year before (See Figure A-3 on previous page). The net assets of the business-type activities increased by \$43,915. Property taxes increased approximately 5.25% in order to finance the debt service associated with the referendum and planned increases in expenses for instruction, and maintenance and operations. Other expenses increased as a direct result of a net increase in interest expense associated with the District's outstanding referendum bonds and capital leases.

**Figure A-4**  
**Changes in Net Assets from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2010/11	Restated 2009/10	2010/11	2009/10	2010/11	Restated 2009/10	2010/11
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services	\$ 295,888	\$ 121,063	\$ 6,099,945	\$ 7,469,438	\$ 6,395,833	\$ 7,590,501	-15.74%
Grants and Contributions:							
Operating	3,995,540	5,353,919			3,995,540	5,353,919	-25.37%
Capital	816,410				816,410		100.00%
<b>General Revenue:</b>							
Property Taxes	41,985,411	39,889,954			41,985,411	39,889,954	5.25%
Federal and State Aid Not Restricted	12,938	161,664			12,938	161,664	-92.00%
Other	218,609	251,999	1,172	652	219,781	252,651	-13.01%
<b>Total Revenue</b>	<b>47,324,796</b>	<b>45,778,599</b>	<b>6,101,117</b>	<b>7,470,090</b>	<b>53,425,913</b>	<b>53,248,689</b>	<b>0.33%</b>
<b>Expenses:</b>							
Instruction	24,357,670	23,364,202			24,357,670	23,364,202	4.25%
Pupil and Instruction Services	8,789,784	8,715,078			8,789,784	8,715,078	0.86%
Administrative and Business	3,518,422	3,629,288			3,518,422	3,629,288	-3.05%
Maintenance and Operations	3,703,306	3,923,799			3,703,306	3,923,799	-5.62%
Transportation	1,663,499	1,813,479			1,663,499	1,813,479	-8.27%
Other	2,261,529	1,288,607	6,057,202	7,444,072	8,318,731	8,732,679	-4.74%
<b>Total Expenses</b>	<b>44,294,210</b>	<b>42,734,453</b>	<b>6,057,202</b>	<b>7,444,072</b>	<b>50,351,412</b>	<b>50,178,525</b>	<b>0.34%</b>
<b>Increase/(Decrease) in Net Assets</b>	<b>\$ 3,030,586</b>	<b>\$ 3,044,146</b>	<b>\$ 43,915</b>	<b>\$ 26,018</b>	<b>\$ 3,074,501</b>	<b>\$ 3,070,164</b>	<b>0.14%</b>

*Revenue Sources.* The District's total revenue for the 2010/11 school year was \$53,425,913 (See Figure A-5 on next page). Property taxes and state formula aid accounted for most of the District's revenue, \$42,108,936 of the total, or 78.82 percent. Another 8.80 percent came from state and federal aid for specific programs and the remainder from miscellaneous sources and service charges.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**Figure A-5  
Sources of Revenue for Fiscal Year 2011**

	<u>Amount</u>	<u>Percentage</u>
Sources of Income:		
State Formula Aid	\$ 123,525	0.23 %
Property Taxes	41,985,411	78.59 %
Federal and State Categorical Grants	4,701,363	8.80 %
Charges for Services	6,395,833	11.97 %
Other	219,781	0.41 %
	<u>\$ 53,425,913</u>	<u>100.00 %</u>

The total cost of all programs and services was \$50,351,412. The District's expenses are predominantly related to instructing, caring for pupil and instruction services and transporting students (69.14 percent) (See Figure A-6). The District's administrative and business activities accounted for 6.99 percent of total costs. The higher than usual "other expenses" results primarily from the operation of the District's business-type activities.

**Figure A-6  
Expenses for Fiscal Year 2011**

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 24,357,670	48.38 %
Pupil and Instruction Services	8,789,784	17.46 %
Administrative and Business	3,518,422	6.99 %
Maintenance and Operations	3,703,306	7.35 %
Transportation	1,663,499	3.30 %
Other	8,318,731	16.52 %
	<u>\$ 50,351,412</u>	<u>100.00 %</u>

***Governmental Activities***

As discussed elsewhere in this commentary, the district-wide financial position of the District improved from the prior fiscal year. Maintaining existing programs with increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. During the past four years, a number of veteran teachers have retired and have been replaced by teachers with less experience. Such changes have generated significant salary savings, but these have not been sufficient enough to offset increased enrollment, increased special education programs and increased health benefit costs.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**Governmental Activities** (Cont'd)

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented during the fiscal year were:

- Region II, a joint venture with other area school districts, provides all of the transportation routes to out-of-district special education schools.
- The District has in-district special education programs that have allowed students to stay in district which has saved on out-of-district tuition and transportation. In addition, out-of-district students pay tuition to attend these programs.
- Standard practice has been to maintain lower maintenance costs by seeking competitive proposals each fiscal year for these services.
- Participation in energy and telecommunication consortiums.
- Participation in a purchasing cooperative with over 300 school districts.
- Participation in the Northeast Bergen County School Board Insurance Group.

It is crucial that the District examine its expenditures carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly. District resources are at their tightest level in a decade.

Figure A-7 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

**Figure A-7  
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2010/11	Restated 2009/10	2010/11	Restated 2009/10
Instruction	\$ 24,357,670	\$ 23,364,202	\$ 20,797,239	\$19,315,613
Pupil and Instruction Services	8,789,784	8,715,078	8,247,914	8,274,087
Administrative and Business	3,518,422	3,629,288	3,373,330	3,561,309
Maintenance and Operations	3,703,306	3,923,799	2,886,896	3,310,927
Transportation	1,663,499	1,813,479	1,619,464	1,508,928
Other	2,261,529	1,288,607	2,261,529	1,288,607
	<u>\$ 44,294,210</u>	<u>\$ 42,734,453</u>	<u>\$ 39,186,372</u>	<u>\$ 37,259,471</u>

- The cost of all governmental activities this fiscal year was \$44,294,210.
- The federal and state governments subsidized certain programs with grants and contributions (\$4.8 million).
- Most of the District's costs were financed by District taxpayers.
- The remainder of the funding came from service charges, miscellaneous revenue and investment earnings.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

***Business-Type Activities***

Net assets from the District's business-type activity increased by \$43,915 (Refer to Figure A-4). Factors contributing to these results included:

- Food services revenues exceeded expenses by \$43,915, primarily due to an increase in the student population, accounting for all of the increase in the net assets of the business-type activities.

**Financial Analysis of the District's Funds**

Difficult economic times have had a direct impact upon the District's revenue sources. Interest from investments remained unfavorable as compared to years past. Ratables in the municipalities remain more or less stable, thus generating concern for the local tax levy in the future.

These factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

Over the course of the fiscal year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- The preparation of the 2011/2012 budget was difficult as a result of rising costs and a lower than normal fund balance position for the District. This resulted in the need for line item transfers during the fiscal year.

**Capital Asset and Debt Administration**

**Figure A-8  
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District	
	2010/11	Restated 2009/10	2010/11	2009/10	2010/11	Restated 2009/10
Land	\$ 6,245,500	\$ 6,245,500			\$ 6,245,500	\$ 6,245,500
Construction in Progress	44,000,791	43,806,365			44,000,791	43,806,365
Land Improvements	1,798,525	881,313			1,798,525	881,313
Buildings and Building Improvements	1,328,808	3,916,074			1,328,808	3,916,074
Machinery and Equipment	5,709,047	178,647	\$ 18,900	\$ 18,546	5,727,947	197,193
<b>Total Capital Assets (Net of Depreciation)</b>	<b>\$ 59,082,671</b>	<b>\$ 55,027,899</b>	<b>\$ 18,900</b>	<b>\$ 18,546</b>	<b>\$ 59,101,571</b>	<b>\$ 55,046,445</b>

During the 2010/11 school year the District began work on various projects within the District that are being funded in part with Schools Development Authority grants.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**Long-term Debt**

At fiscal year end, the District had \$26,448,000 of general obligation bonds outstanding – a decrease of \$925,000 from last year and \$5,241,931 in capital leases – a net increase of \$4,226,503 from last year. In addition, the District has \$799,462 in compensated absences payable – a net decrease of \$121,322.

**Figure A-9  
Outstanding Long-Term Debt**

	Total School District		Total Percentage Change 2010/11
	2010/11	2009/10	
General Obligation Bonds (Financed with Property Taxes)	\$ 26,448,000	\$ 27,373,000	-3.38%
Other Long - Term Liabilities	6,041,393	1,936,212	212.02%
	<u>\$ 32,489,393</u>	<u>\$ 29,309,212</u>	10.85%

**Factors Bearing on the District's Future Revenue/Expense Changes**

The board and the administration have had discussions on how existing circumstances could affect the future financial health of the school district. The following examples may have an impact and affect the financial operation in the future:

- The current economic crisis in our state has generated concern in the educational community for public school funding.
- Governor Christopher Christie has and continues to initiate a number of fiscal reforms that directly impact public education.
- The completion of the district's 42 million dollar referendum presents future challenges for the financial planning to continue the expansion and renovation of both Pascack Hills and Pascack Valley High School to meet increasing enrollment and curriculum demands.

**The current economic crisis in our state has generated concern in the educational community for public school funding.**

Schools around the country were impacted by the worst recession in decades. The response was to impose such measures as larger class sizes, cuts of jobs and textbook budgets, reduced school bus service, and fewer resources for state education departments. In New Jersey, Governor Christie cut state aid payments to schools in order to help address the state's 2010 fiscal year budget deficit. In addition, state aid to schools in 2011 fiscal year was cut by \$820 million and specifically, the district received no categorical state aid.

The economic crisis, and the uncertainty that state legislation could impose greater constraints on public school districts, has had an effect on suburban public school districts recognized for providing innovative and cutting edge programs to their students to place a hold on expanding their academic offerings. Wealthy districts such as the sending districts of Hillsdale, Montvale, River Vale and Woodcliff Lake to the Pascack Valley Regional High School District, which are mostly residential, are concerned that if the state continues to cut aid to education, municipalities will experience even more dramatic increases in property taxes.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

The discussion about the constant increases in local property taxes in the media has polarized many communities, and in the center of this discontent is the cost of education. The state legislatures have embraced this opportunity to shift the problems of inefficiency and accountability from state bureaucracy to the cost of funding public schools.

**Completion of the District's 42 Million Dollar Referendum**

**Referendum Background**

On December 10, 2002 the Pascack Valley Regional Board of Education asked the voters to support their financial plan to address a number of major facilities improvements that were left unattended for more than 30 years. Unfortunately, this plan was rejected by the voters. There were two proposals on the ballot. Proposal 1 was to approve raising \$57,768,886.00 for major renovation and additions to the school facilities. Proposal 2, in the amount of \$9,919,152.00, was to be allocated for the relocation of the Superintendent's offices and improvement of the district's athletic fields.

The second referendum was held one year later. The project was scaled back and only one proposal was on the ballot. On December 9, 2003, the voters of the Pascack Valley Regional School District approved a school bond referendum in the amount of \$42,266,795.00. The local share of the project for which the Board issued bonds was \$30,723,000.00. The term of the issue was for 25 years. The repayment structure has payments that gradually increased in years one through three and then remain level for the rest of the term.

The facilities projects identified in the referendum approved on December 9, 2003 entered the final construction phase during the 2008-09 school year. The full impact of increasing the size and capacity of the new construction was addressed in planning the 2009-10 school budget. The budget included incremental increases in costs attributed to opening new additions to Pascack Hills High School (State Project Number 3960-040-03-1418) and Pascack Valley High School (State Project Number 3960-050-03-1417).

Pascack Hills High School, located in Montvale, gained an additional 25,841 square feet increasing the size of the building to 161,870 square feet. The five new science rooms, weight room, and gymnasium are currently serving an enrollment of 811 students.

Pascack Valley High School, located in Hillsdale, gained an additional 48,804 square feet, increasing the size of the building to 171,594 square feet. The six new science rooms, gymnasium, and auditorium serve an enrollment of 1,254 students.

**Referendum Financial Summary**

**Investment Income**

The two institutions that played a role managing the investment of the bond proceeds were MBIA Municipal Investors Service Corporation and Valley National Bank. Both were selected based on their responses to a request for proposal for this type of service. Investing public funds is highly restricted and MBIA is the leader among public entities. Since April 2004 through June 30, 2008 our investments earned \$1,965,426. The annual yield ranged from a low of 2.02 to a high of 4.87 percent. Our average, which will be discussed further in the following paragraph, was 3.09 percent.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**State Share and Interim Financing**

The approved referendum of December 9, 2003 provided for the issuance of Temporary Notes equal to the state share of \$11,543,555. As construction progressed, demands for payment were drawn from the Local Share of \$30,723,240. However, during the financial planning for the last quarter of the project, the need to supplement construction funding arose since delays in receiving the district's state share were becoming more prevalent. Our bonding attorney from the firm of Wilentz, Goldman and Spitzer was consulted to begin the issuance process.

As of December 2006, the Board had received \$6,586,173 in state grant funds. The district could then borrow the balance of the grant, which was an amount not to exceed \$4,957,382. On January 22, 2007 the Pascack Valley Board of Education adopted a resolution authorizing the issuance of Temporary Notes in the amount of \$4,957,382. The bidding attracted four lending institutions. Bank of America was selected with a 3.76% per annum interest rate. The gross interest due at maturity was \$185,865.

The note was paid on the maturity date of February 7, 2008. However, the project did not reach the state's milestone to receive an additional payment. Therefore, it became necessary to repeat the borrowing process. Again, Wilentz handled the legal portion. This time it was only necessary to borrow \$2,252,289 and RBC Capital Markets of Cincinnati, Ohio was the low bidder with an interest rate of 2.00% per annum. The interest on the note at the maturity date of February 5, 2009 will be \$44,894.

In summary, the district will have paid as of February 5, 2009 a total of \$230,759 in order to maintain a positive construction cash flow.

The completion of the district's 42 million dollar referendum presents future challenges for the financial planning needed to continue the expansion and renovation regarding the local funding of both Pascack Hills and Pascack Valley High School to meet increasing enrollment, curriculum demands and necessary replacements. The current plan is to continue allocations in the Fund 12, Capital Outlay. This financial plan has allowed the district to identify projects to be included in the current expense section of the school budget without the need to include a special question for the voters to approve at the annual school election. Furthermore, by maintaining the line item at the previous level there is neutral effect on the tax base. Below is a listing of projects completed and started during the 2010-2011 school year. These projects all have SDA grant funding which covers 40% of the cost.

**Pascack Valley Regional High School District  
Management Discussion and Analysis  
Unaudited**

**SUMMARY OF PROJECTS**

	<b>Project</b>	<b>Funding</b>	<b>Change Orders</b>	<b>Cost of Project</b>	<b>Notes</b>
1	PH Auditorium Renovation & Upgrade	2009-10 Budget	(\$ 15,960.45)	\$ 1,535,839.55	Paid Work Completed
2	PV Windows Replacement	2010-11 Budget	\$ 0.00	\$ 219,262.00	Started in 2010-2011
3	PV Elevator Replacement	2010-11 Budget	\$ 0.00	\$ 277,000.00	Started in 2010-2011
4	PV Dance & Fitness Renovation	2010-11 Budget	\$ 0.00	\$ 67,650.00	Started in 2010-2011
5	PV Science Lab Renovation	2010-11 and 2011-12 Budgets	\$ 0.00	\$ 607,056.00	Started in 2010-2011
6	PV Life Skills Renovation	2010-11 and 2011-12 Budgets	\$ 0.00	\$ 482,203.00	Started in 2010-2011
7	PV Math Wing Roof Replacement	2010-11 and 2011-12 Budgets	\$ 0.00	\$ 438,500.00	Started in 2010-2011

**Contracting the District's Financial Management**

This financial report is designed to provide the district's citizens, taxpayers, customers, and investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Pascack Valley Regional Board of Education Office located at 46 Akers Avenue, Montvale, New Jersey.

**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
JUNE 30, 2011

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,531,129	\$ 143,073	\$ 4,674,202
Interfund Receivables	17,184		17,184
Internal Balances	337,984	(337,984)	
Receivables from Federal Government	232,494		232,494
Receivables from State Government	901,694		901,694
Receivables from Other Governments		337,984	337,984
Other Receivables	6,844	10	6,854
Inventory		5,695	5,695
Restricted Assets:			
Capital Reserve Account - Cash	750,001		750,001
Emergency Reserve Account - Cash	250,000		250,000
Capital Assets, Net:			
Sites (Land) and Construction in Progress	50,246,291		50,246,291
Depreciable Land Improvements, Buildings and Building Improvements and Machinery and Equipment	8,836,380	18,900	8,855,280
<b>Total Assets</b>	<b>66,110,001</b>	<b>167,678</b>	<b>66,277,679</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	65,250	5,056	70,306
Accrued Interest Payable	399,633		399,633
Payable to State Government	21,069		21,069
Noncurrent Liabilities:			
Due Within One Year	3,196,936		3,196,936
Due Beyond One Year	29,292,457		29,292,457
<b>Total Liabilities</b>	<b>32,975,345</b>	<b>5,056</b>	<b>32,980,401</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	27,392,740	18,900	27,411,640
Restricted for:			
Capital Projects	2,175,015		2,175,015
Debt Service	4,426		4,426
Other Purposes	1,205,529		1,205,529
Unrestricted	2,356,946	143,722	2,500,668
<b>Total Net Assets</b>	<b>\$ 33,134,656</b>	<b>\$ 162,622</b>	<b>\$ 33,297,278</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses)/Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	\$ 18,522,299		\$ 1,819,405		\$ (16,702,894)		\$ (16,702,894)
Special Education	3,620,154	\$ 295,888	1,292,948		(2,031,318)		(2,031,318)
Other Instruction	2,215,217		152,190		(2,063,027)		(2,063,027)
<b>Support Services:</b>							
Tuition	2,063,727				(2,063,727)		(2,063,727)
Student & Instruction Related Services	6,726,057		541,870		(6,184,187)		(6,184,187)
General Administrative Services	835,620				(835,620)		(835,620)
School Administrative Services	1,683,322		145,092		(1,538,230)		(1,538,230)
Central Services	570,202				(570,202)		(570,202)
Administration Information Technology	429,278				(429,278)		(429,278)
Plant Operations and Maintenance	3,703,306			\$ 816,410	(2,886,896)		(2,886,896)
Pupil Transportation	1,663,499		44,035		(1,619,464)		(1,619,464)
Interest on Long-Term Debt	1,070,182				(1,070,182)		(1,070,182)
Capital Outlay	28,109				(28,109)		(28,109)
Unallocated Depreciation	1,163,238				(1,163,238)		(1,163,238)
<b>Total Governmental Activities</b>	<b>44,294,210</b>	<b>295,888</b>	<b>3,995,540</b>	<b>816,410</b>	<b>(39,186,372)</b>		<b>(39,186,372)</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses)/Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Business-Type Activities:</b>							
Food Service	\$ 891,012	\$ 933,755				\$ 42,743	\$ 42,743
Region II Transportation	4,439,850	4,435,596				(4,254)	(4,254)
Region II Administration	570,032	574,286				4,254	4,254
Region II Summer School	29,539	29,539					
Transportation	126,769	126,769					
<b>Total Business-Type Activities</b>	<b>6,057,202</b>	<b>6,099,945</b>				<b>42,743</b>	<b>42,743</b>
<b>Total Primary Government</b>	<b>\$ 50,351,412</b>	<b>\$ 6,395,833</b>	<b>\$ 3,995,540</b>	<b>\$ 816,410</b>	<b>\$ (38,369,962)</b>	<b>42,743</b>	<b>(38,327,219)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes, Levied for General Purposes, Net					39,995,215		39,995,215
Taxes Levied for Debt Service					1,990,196		1,990,196
Federal and State Aid Not Restricted					12,938		12,938
Interest and Miscellaneous Income					218,609	1,172	219,781
<b>Total General Revenues</b>					<b>42,216,958</b>	<b>1,172</b>	<b>42,218,130</b>
<b>Change in Net Assets</b>					<b>3,846,996</b>	<b>43,915</b>	<b>3,890,911</b>
<b>Net Assets - Beginning as Restated</b>					<b>30,104,070</b>	<b>118,707</b>	<b>30,222,777</b>
<b>Net Assets - Ending</b>					<b>\$ 33,951,066</b>	<b>\$ 162,622</b>	<b>\$ 34,113,688</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**FUND FINANCIAL STATEMENTS**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 3,278,018		\$ 1,253,111		\$ 4,531,129
Interfund Receivable	987,845			\$ 21,107	1,008,952
Receivables from Federal Government		\$ 232,494			232,494
Receivables from State Government	287,005	353	614,336		901,694
Receivables from Other Governments	6,844				6,844
Restricted Cash and Cash Equivalents	1,000,001				1,000,001
<b>Total Assets</b>	<b>\$ 5,559,713</b>	<b>\$ 232,847</b>	<b>\$ 1,867,447</b>	<b>\$ 21,107</b>	<b>\$ 7,681,114</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Interfund Payable		\$ 194,670	\$ 442,433	\$ 16,681	\$ 653,784
Payable to State Government		21,069			21,069
Accounts Payable	\$ 48,142	17,108			65,250
<b>Total Liabilities</b>	<b>48,142</b>	<b>232,847</b>	<b>442,433</b>	<b>16,681</b>	<b>740,103</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Excess Surplus	955,529				955,529
Capital Reserve Account	750,001				750,001
Emergency Reserve Account	250,000				250,000
Capital Projects Fund			80,401		80,401
Debt Service Fund				4,426	4,426
<b>Committed:</b>					
Capital Projects Fund			1,344,613		1,344,613
<b>Assigned:</b>					
Subsequent Year's Expenditures	2,456,715				2,456,715
<b>Unassigned:</b>					
General Fund	1,099,326				1,099,326
<b>Total Fund Balances</b>	<b>5,511,571</b>		<b>1,425,014</b>	<b>4,426</b>	<b>6,941,011</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,559,713</b>	<b>\$ 232,847</b>	<b>\$ 1,867,447</b>	<b>\$ 21,107</b>	<b>\$ 7,681,114</b>

Amounts Reported for Governmental Activities in the Statement of Net assets (A-1) are Different Because:

Funds Balances - Governmental Funds (Above)	\$ 6,941,011
Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds. The cost of the assets is \$66,580,943 and the accumulated depreciation is \$7,498,272.	59,082,671
Interest on Long-Term Debt is not Accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(399,633)
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.	(32,489,393)
<b>Net Assets of Governmental Activities</b>	<b>\$ 33,134,656</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 39,995,215			\$ 1,990,196	\$ 41,985,411
Tuition Charges	295,888				295,888
Miscellaneous	214,376		\$ 4,233		218,609
<b>Total - Local Sources</b>	<b>40,505,479</b>		<b>4,233</b>	<b>1,990,196</b>	<b>42,499,908</b>
State Sources	2,932,944	\$ 205,416	614,336		3,752,696
Federal Sources		1,072,192			1,072,192
<b>Total Revenues</b>	<b>43,438,423</b>	<b>1,277,608</b>	<b>618,569</b>	<b>1,990,196</b>	<b>47,324,796</b>
<b>EXPENDITURES</b>					
<b>Current:</b>					
Regular Instruction	14,019,551	397,024			14,416,575
Special Education Instruction	2,191,438	678,510			2,869,948
Other Instruction	1,769,748				1,769,748
<b>Support Services and Undistributed Costs:</b>					
Tuition	2,063,727				2,063,727
Student & Instruction Related Services	5,168,587				5,168,587
General Administrative Services	762,557				762,557
School Administrative Services	1,250,659				1,250,659
Central Services	478,820				478,820
Administration Information Technology	242,994				242,994
Plant Operations and Maintenance	3,472,257				3,472,257
Pupil Transportation	1,643,627				1,643,627
Unallocated Benefits	8,013,696				8,013,696
<b>Debt Service:</b>					
Principal				925,000	925,000
Interest and Other Charges				1,081,877	1,081,877
Capital Outlay	5,560,507	202,074	194,426		5,957,007
<b>Total Expenditures</b>	<b>46,638,168</b>	<b>1,277,608</b>	<b>194,426</b>	<b>2,006,877</b>	<b>50,117,079</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>(3,199,745)</b>		<b>424,143</b>	<b>(16,681)</b>	<b>(2,792,283)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>					
Capital Leases (Non-Budgeted)	4,936,583				4,936,583
Transfers In	264,233		1,436,855		1,701,088
Transfers Out	(1,436,855)		(264,233)		(1,701,088)
<b>Total Other Financing Sources/(Uses)</b>	<b>3,763,961</b>		<b>1,172,622</b>		<b>4,936,583</b>
<b>Net Change in Fund Balances</b>	<b>564,216</b>		<b>1,596,765</b>	<b>(16,681)</b>	<b>2,144,300</b>
<b>Fund Balance/(Deficit) — July 1 as Restated</b>	<b>4,947,355</b>		<b>(171,751)</b>	<b>21,107</b>	<b>4,796,711</b>
<b>Fund Balance — June 30</b>	<b>\$ 5,511,571</b>	<b>\$ -0-</b>	<b>\$ 1,425,014</b>	<b>\$ 4,426</b>	<b>\$ 6,941,011</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK 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) \$ 2,144,300

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, 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 and adjustments to Capital Assets in the period.

	Depreciation expense	\$ (469,506)	
	Adjustment to Depreciable Capital Assets	(864,782)	
	Capital outlays	<u>5,389,060</u>	4,054,772

Repayment of debt service 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. 925,000

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+). 11,695

Leases entered into by the District are an other financing source in the Governmental Funds, but the acquisition increases Long-Term Liabilities in the Statement of Net Assets and is not reported in the Statement of Activities. (4,936,583)

Capital Lease Proceeds

Repayment of capital leases 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. 710,080

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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 121,322

Change in Net Assets of Governmental Activities \$ 3,030,586

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
AS OF JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Non-Major Programs</u>	<u>Major Program Region II Transportation</u>	<u>Total Enterprise</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 143,073		\$ 143,073
Accounts Receivable:			
Intergovernmental		\$ 337,984	337,984
Other	10		10
Inventories	5,695		5,695
Total Current Assets	<u>148,778</u>	<u>337,984</u>	<u>486,762</u>
Non-Current Assets:			
Capital Assets	194,257		194,257
Less: Accumulated Depreciation	<u>(175,357)</u>		<u>(175,357)</u>
Total Non-Current Assets	<u>18,900</u>		<u>18,900</u>
Total Assets	<u>167,678</u>	<u>337,984</u>	<u>505,662</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Interfund Payable - General Fund		337,984	337,984
Accounts Payable - Vendors	5,056		5,056
Total Current Liabilities	<u>5,056</u>	<u>337,984</u>	<u>343,040</u>
<b>NET ASSETS</b>			
Investment in Capital Assets, Net of Related Debt	18,900		18,900
Unrestricted	<u>143,722</u>		<u>143,722</u>
Total Net Assets	<u>\$ 162,622</u>	<u>\$ -0-</u>	<u>\$ 162,622</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Non-Major Programs</u>	<u>Major Program</u>	<u>Totals</u>
		<u>Region II Transportation</u>	
Operating Revenue:			
Charges for Services:			
Daily Sales - Non-Reimbursable Programs	\$ 887,859		\$ 887,859
Special Events	17,263		17,263
Free Lunch Subsidized	28,633		28,633
Charges and Fees	730,594	\$ 4,435,596	5,166,190
Total Operating Revenue	<u>1,664,349</u>	<u>4,435,596</u>	<u>6,099,945</u>
Operating Expenses:			
Cost of Sales	429,421		429,421
Salaries	646,814	153,846	800,660
Employee Benefits	151,632		151,632
Purchased Services	216,204	1,224,447	1,440,651
Contracted Services	76,922	3,061,557	3,138,479
Supplies and Materials	36,924		36,924
Depreciation Expense	1,801		1,801
Miscellaneous	57,634		57,634
Total Operating Expenses	<u>1,617,352</u>	<u>4,439,850</u>	<u>6,057,202</u>
Operating Income/(Loss)	<u>46,997</u>	<u>(4,254)</u>	<u>42,743</u>
Non-Operating Revenue:			
Interest Revenue	<u>1,172</u>		<u>1,172</u>
Total Non-Operating Revenue	<u>1,172</u>		<u>1,172</u>
Net Income (Loss) Before Operating Transfers	48,169	(4,254)	43,915
Transfers	<u>(4,254)</u>	<u>4,254</u>	
Change in Net Assets	43,915		43,915
Net Assets - Beginning of Year	<u>118,707</u>		<u>118,707</u>
Net Assets - End of Year	<u>\$ 162,622</u>	<u>\$ -0-</u>	<u>\$ 162,622</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Non-Major Programs</u>	<u>Major Program</u>	
		<u>Region II Transportation</u>	<u>Total Enterprise</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 1,651,305	\$ 4,435,596	\$ 6,086,901
Receipts from District	28,633		28,633
Payments to Employees	(350,627)	(153,846)	(504,473)
Payments for Employee Benefits	(167,783)		(167,783)
Payments for Services	(219,636)	(4,286,004)	(4,505,640)
Payments to Food Service Vendor	(793,860)		(793,860)
Payments to Suppliers	(66,745)		(66,745)
Net Cash Provided by/(Used for) Operating Activities	<u>81,287</u>	<u>(4,254)</u>	<u>77,033</u>
Cash Flows from Investing Activities:			
Interest Revenue	1,172		1,172
Net Cash Provided by Investing Activities	<u>1,172</u>		<u>1,172</u>
Cash Flows from Noncapital Financing Activities:			
Equity Transfer	(4,254)	4,254	
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>(4,254)</u>	<u>4,254</u>	
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(2,155)		(2,155)
Net Cash Used for Noncapital Financing Activities	<u>(2,155)</u>		<u>(2,155)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	76,050		76,050
Cash and Cash Equivalents, July 1	67,023		67,023
Cash and Cash Equivalents, June 30	<u>\$ 143,073</u>	<u>\$ -0-</u>	<u>\$ 143,073</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating Income/(Loss)	\$ 46,997	\$ (4,254)	\$ 42,743
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	1,801		1,801
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	84,816	540,302	625,118
(Increase) in Inventory	(2,258)		(2,258)
(Decrease) in Interfund Payable	(52,667)	(540,302)	(592,969)
Increase in Accounts Payable	2,598		2,598
Net Cash Provided by/(Used for) Operating Activities	<u>\$ 81,287</u>	<u>\$ (4,254)</u>	<u>\$ 77,033</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
AS OF JUNE 30, 2011

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 523,287	\$ 65,935	\$ 318,023
Investments	46,108		
Interfund Receivable:			
Payroll Agency Fund		8,266	
<b>Total Assets</b>	<u>569,395</u>	<u>74,201</u>	<u>318,023</u>
<b>LIABILITIES:</b>			
Interfund Payable:			
General Fund	17,184		
Unemployment Compensation Trust Fund	8,266		
Accounts Payable - Vendors	16,359		
Payroll Deductions and Withholdings	10,695		
Due to Student Groups	275,294		
Professional Development Costs	3,339		
E- Learning Costs	238,258		
<b>Total Liabilities</b>	<u>569,395</u>		
<b>NET ASSETS:</b>			
Held in Trust for Unemployment Claims and Other Purposes		74,201	
Reserved for Scholarships			318,023
<b>Total Net Assets</b>	<u>\$ -0-</u>	<u>\$ 74,201</u>	<u>\$ 318,023</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Plan Member	\$ 30,163	
Other		\$ 14,958
Total Contributions	<u>30,163</u>	<u>14,958</u>
Investment Earnings:		
Interest	808	3,747
Net Investment Earnings	<u>808</u>	<u>3,747</u>
Total Additions	<u>30,971</u>	<u>18,705</u>
DEDUCTIONS:		
Quarterly Contribution Reports	94,077	
Scholarships Awarded		10,853
Total Deductions	<u>94,077</u>	<u>10,853</u>
Change in Net Assets	(63,106)	7,852
Net Assets - Beginning of the Year	<u>137,307</u>	<u>310,171</u>
Net Assets - End of the Year	<u>\$ 74,201</u>	<u>\$ 318,023</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of Pascack Valley Regional High School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Board 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.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significances) should be included in the financial reporting entity. 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 the Boroughs of Hillsdale and Montvale and serving the senior high school needs of the Boroughs of Hillsdale, Montvale and Woodcliff Lake and the Township of River Vale. 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.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net assets and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (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. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary and fiduciary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported 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 NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The District reports the following proprietary funds:

Enterprise (Food Service, Transportation and Administration of Region II) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria, transportation and administration of Region II operations. The food service, transportation and administration of Region II funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the recipients on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Student Activities Agency Fund, Payroll Agency Fund, Professional Development Costs Agency Fund, E-Learning Agency Fund, Unemployment Compensation Insurance Trust Fund, and Private Purpose Scholarship Trust Fund.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. 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. 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.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

Reports for the District's Enterprise Fund are prepared following the Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with Governmental Accounting Standards Board (GASB) pronouncements.

D. 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. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 43,314,898	\$ 1,277,608
Difference - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	123,525	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 43,438,423	\$ 1,277,608

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 46,638,168</u>	<u>\$ 1,277,608</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 46,638,168</u>	<u>\$ 1,277,608</u>

Explanation of Differences between Budgetary Fund Balance and GAAP Fund Balance:

	<u>Capital Projects Fund</u>	
	<u>Revenue</u>	<u>Fund Balance</u>
Committed Fund Balance		\$ 2,525,024
Restricted Fund Balance		80,401
Total Revenue/Fund Balance - Budgetary Basis	\$ 993,375	<u>2,605,425</u>
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Receivable/Revenue not Recognized on the GAAP Basis	<u>(379,039)</u>	<u>(1,180,411)</u>
Revenue/Fund Balance per Governmental Funds (GAAP Basis)	<u>\$ 614,336</u>	<u>\$ 1,425,014</u>

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

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

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Interfund Transactions:

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net assets, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**K. Capital Assets:**

During the fiscal year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost, including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	40 years
Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**L. Long Term Liabilities:**

In the District-wide and enterprise fund statements of net assets, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond issuance costs, as well as applicable bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**M. Accrued Salaries and Wages:**

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2011.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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

O. Deferred Revenue:

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$5,511,571 General Fund fund balance at June 30, 2011 \$750,001 is restricted in the capital reserve account; \$250,000 is restricted in the emergency reserve account; \$955,529 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701); \$2,456,715 is assigned for subsequent year's expenditures; and \$1,099,326 is unassigned.

Capital Projects Fund: Of the \$1,425,014 Capital Projects Fund fund balance at June 30, 2011 of \$80,401 is restricted due to the associated project being financed with serial bonds; and \$1,344,613 is committed.

Debt Service Fund: The Debt Service Fund fund balance of \$4,426 at June 30, 2011, is restricted for subsequent year's expenditures.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus in the fiscal year ending June 30, 2011 as noted above.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Fund Balance Restrictions, Commitments and Assignments:

The District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, during the current fiscal year. The objective of this standard is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions (as detailed in Note 1B). This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital reserve, emergency reserve and debt service.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources for year-end encumbrances at June 30, 2011.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances and for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2011.

R. Net Assets:

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes, interest and tuition.

T. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and charges for services for transportation and administration of Region II. Operating expenses are necessary costs incurred to provide the services that are the primary activity of the Enterprise Funds.

U. Management Estimates:

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its formal cash management plan, the Board ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Board limits its investments to those authorized in its formal cash management plan which are those permitted under state statute as detailed on the following pages.

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) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Board to purchase the following types of securities:

- (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;

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments (Cont'd)

- (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, 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 local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
  - (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 statute; and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2011, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>	<u>Capital Reserve Account</u>	<u>Emergency Reserve Account</u>	<u>Total</u>
Checking Accounts	\$ 5,581,447		\$ 750,001	\$ 250,000	\$ 6,581,448
Certificates of Deposit		\$ 46,108			46,108
	<u>\$ 5,581,447</u>	<u>\$ 46,108</u>	<u>\$ 750,001</u>	<u>\$ 250,000</u>	<u>\$ 6,627,556</u>

During the period ended June 30, 2011, the District did not hold any investments other than certificates of deposit. The carrying amount of the Board's cash and cash equivalents and investments, at June 30, 2011, was \$6,627,556 and the bank balance was \$8,839,569.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution by inclusion of \$1 in September 2001 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 State Department of Education, 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 resolution 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 by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-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 for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning Balance, July 1, 2010	\$ 1
Deposits by Board Resolution	<u>750,000</u>
Ending Balance, June 30, 2011	<u><u>\$ 750,001</u></u>

The June 30, 2011 capital reserve account balance does not exceed the local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). There were no withdrawals from the capital reserve account for use in a DOE approved facilities project, consistent with the District's LRFP.

NOTE 5. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution on June 20, 2011 by inclusion of \$250,000 for the accumulation of funds for use as unanticipated general fund expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the General Fund annual budget.

The emergency reserve is restricted to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a through and efficient education. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution between June 1<sup>st</sup> and June 30<sup>th</sup> of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

The activity of the emergency reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning Balance, July 1, 2010	\$ -0-
Deposits by Board Resolution	<u>250,000</u>
Ending Balance, June 30, 2011	<u><u>\$ 250,000</u></u>

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**  
(Continued)

**NOTE 6. TRANSFERS TO CAPITAL OUTLAY**

During the year ending June 30, 2011, the district transferred \$23,834 to the capital outlay accounts for equipment, which did not require County Superintendent approval.

**NOTE 7. CAPITAL ASSETS**

Capital asset balances and activity for the fiscal year ended June 30, 2011 were as follows:

	<u>Restated Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<b>Capital Assets not Being Depreciated:</b>				
Sites (Land)	\$ 6,245,500			\$ 6,245,500
Construction in Progress	43,806,366	\$ 194,426		44,000,792
<b>Total Capital Assets Not Being Depreciated</b>	<u>50,051,866</u>	<u>194,426</u>		<u>50,246,292</u>
<b>Capital Assets Being Depreciated:</b>				
Land Improvements	1,978,540		\$ 1,287,200	3,265,740
Buildings and Building Improvements	11,211,554	202,074	(5,074,563)	6,339,065
Machinery and Equipment	5,768,906	4,992,560	(4,031,619)	6,729,847
<b>Total Capital Assets Being Depreciated</b>	<u>18,959,000</u>	<u>5,194,634</u>	<u>(7,818,982)</u>	<u>16,334,652</u>
<b>Governmental Activities Capital Assets</b>	<u>69,010,866</u>	<u>5,389,060</u>	<u>(7,818,982)</u>	<u>66,580,944</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,097,227)	(162,967)	(207,021)	(1,467,215)
Buildings and Building Improvements	(7,295,480)	(131,249)	2,416,472	(5,010,257)
Machinery and Equipment	(5,590,259)	(175,290)	4,744,749	(1,020,800)
	<u>(13,982,966)</u>	<u>(469,506)</u>	<u>6,954,200</u>	<u>(7,498,272)</u>
<b>Governmental Activities Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 55,027,900</u>	<u>\$ 4,919,554</u>	<u>\$ (864,782)</u>	<u>\$ 59,082,672</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
<b>Capital Assets Being Depreciated:</b>				
Machinery and Equipment	\$ 192,102	\$ 2,155		\$ 194,257
Less Accumulated Depreciation	(173,556)	(1,801)		(175,357)
<b>Business-Type Activities Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 18,546</u>	<u>\$ 354</u>	<u>\$ -0-</u>	<u>\$ 18,900</u>

The \$194,426 addition to Construction in progress is the result of the District's various Capital Projects Fund expenditures for various SDA grant projects. Of the \$4,992,560 additions to machinery and equipment, \$4,936,583 represents a capital lease for the purchase of various laptop computers for the District's 1:1 Wireless Laptop Initiative Program. The net adjustment of \$864,782 is due to the District's appraisal of the capital assets as of June 30, 2010. The restated beginning balance is the result of a restatement of the District's prior year financials as discussed further in Note 18.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 14,078
Administrative Information Technology	136,900
Plant Operations and Maintenance	20,072
Unallocated	298,456
	<u>\$ 469,506</u>

The District had active construction projects as of June 30, 2011. These projects include various renovations of schools.

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2011, the following changes occurred in liabilities reported in the District-wide financial statements:

	<u>Balance</u> <u>6/30/10</u>	<u>Added</u>	<u>Retired</u>	<u>Balance</u> <u>6/30/11</u>
Serial Bonds Payable	\$ 27,373,000		\$ 925,000	\$ 26,448,000
Capital Leases Payable	1,015,428	4,936,583	710,080	5,241,931
Compensated Absences Payable	920,784	9,685	131,007	799,462
	<u>\$ 29,309,212</u>	<u>\$ 4,946,268</u>	<u>\$ 1,766,087</u>	<u>\$ 32,489,393</u>

A. 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. Bonds are financed through the debt service fund.

The District had bonds outstanding as of June 30, 2011 as follows:

<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
08/15/2028	3.50%-4.25%	<u>\$ 26,448,000</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)A. Bonds Payable: (Cont'd)

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

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 965,000	\$ 1,048,801	\$ 2,013,801
2013	1,015,000	1,014,151	2,029,151
2014	1,060,000	976,514	2,036,514
2015	1,110,000	935,826	2,045,826
2016	1,160,000	891,814	2,051,814
Thereafter:			
2017-2021	6,680,000	3,699,468	10,379,468
2022-2026	8,410,000	2,186,489	10,596,489
2027-2029	6,048,000	393,338	6,441,338
	<u>\$ 26,448,000</u>	<u>\$ 11,146,401</u>	<u>\$ 37,594,401</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2011, the Board had no bonds authorized but not issued.

C. Capital Leases Payable:

The following is a schedule of the future minimum lease payments under the District's capital leases, and the present value of the net minimum lease payments at June 30, 2011.

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2012	\$ 2,242,409
2013	1,003,332
2014	1,003,332
2015	1,003,331
	<u>5,252,404</u>
Less: Amount Representing Interest	<u>(10,473)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 5,241,931</u>

The current portion of capital leases payable at June 30, 2011 is \$2,231,936 and the long-term portion is \$3,009,995.

The capital leases relate to the financing of various acquisitions primarily synthetic field turf, chain link fencing and gates, stadium and field lighting, football goal posts, technological equipment and bleachers.

Capital leases are financed by the general fund.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

D. Compensated Absences

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$-0- and is separated from the long-term liability balance of compensated absences of \$799,462.

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, no liability existed for compensated absences in the proprietary funds. Compensated absences are financed by the related fund, in this case the general fund.

NOTE 9. PENSION PLANS

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

Employees who are members of TPAF or PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey regulation. Employee contributions are based on percentages of 5.50% for TPAF and 5.50% for PERS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits, and post-retirement medical premiums. Under current statute, the District is a noncontributing employer of the TPAF.

District contributions to PERS amounted to \$425,254, \$333,286 and \$269,976 for the fiscal years ended June 30, 2011, 2010 and 2009, respectively.

During the fiscal years ended June 30, 2011, 2010 and 2009 the State of New Jersey contributed \$-0-, \$-0- and \$-0-, respectively, to the TPAF for normal pension benefits on-behalf of the District.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 10. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. Chapter 103 of Public Laws 2007 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 eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, of Public Laws 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126 of Public Laws 1992, which provides free health benefits to members of PERS, TPAF 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.

The State's on-behalf Post Retirement Medical Contributions to TPAF for the District amounted to \$1,150,603, \$1,047,646 and \$1,023,620 for 2011, 2010 and 2009, respectively.

NOTE 11. RISK MANAGEMENT

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

Property and Liability Insurance

The District is a member of the Northeast Bergen School Board Insurance Group and maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$ -0-	\$ 808	\$ 30,163	\$ 94,077	\$ 74,201
2009-2010	-0-	1,030	50,214	48,179	137,307
2008-2009	-0-	1,403	72,695	41,272	134,242

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

The Pascack Valley Regional School District is a member of the Northeast Bergen County School Board Insurance Group, ("NESBIG"). This public entity risk management pool provides general liability, property and automobile coverage for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. NESBIG is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for NESBIG are elected.

As a member of NESBIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of NESBIG were to be exhausted, members would become responsible for their respective shares of the liabilities. NESBIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

The audit report for the fiscal year ended June 30, 2011 was not available as of the date of this report. Selected, summarized financial information for NESBIG as of June 30, 2010 is as follows:

	<u>Northeast Bergen County School Board Board Insurance Group</u>
Total Assets	\$ 18,825,029
Net Assets	\$ 10,727,740
Total Revenue	\$ 12,372,141
Total Expenses	\$ 9,886,591
Change in Net Assets for the Year Ended June 30, 2010	\$ 2,485,550
Net Assets Distribution to Participating Members	\$ 1,300,000

Financial statements for NESBIG are available at the Executive Director's Office:

Burton Agency  
44 Bergen Street  
PO Box 270  
Westwood, NJ 07675  
(201) 664-0310

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 12. COMMITMENTS AND CONTINGENCIES

The Board is periodically involved in lawsuits arising in the normal course of business, including claims regarding special education, disputes over contract awards and performance, and employment matters. The Board does not believe that the ultimate outcome of these cases will have a material negative effect on the District's financial position.

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

Encumbrances

At June 30, 2011, there were no encumbrances in the governmental funds. All of the governmental funds are considered to be major funds.

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances existed at June 30, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 987,845	
Special Revenue		\$ 194,670
Capital Projects Fund		442,433
Debt Service	21,107	16,681
Proprietary Funds		337,984
Fiduciary Funds - Unemployment Compensation Trust	8,266	
Agency Fund - Payroll		25,450
	<u>\$ 1,017,218</u>	<u>\$ 1,017,218</u>

The general fund interfund receivable consists of monies loaned to the special revenue fund as the federal grant funds had not been received by year end creating a negative cash flow; monies loaned to the debt service fund as monies due from the capital projects fund had not been transferred by year end creating a negative cash flow; monies loaned to the proprietary funds (Region II) to meet short-term cash flow needs as the proprietary fund has outstanding receivables at year end; and monies due from the capital projects fund for expenditures made on behalf in the prior year and interest earnings due to the general fund from the capital projects fund.

The debt service fund interfund receivable consists of funds due from the capital projects fund for prior year interest earnings.

The fiduciary funds – unemployment compensation trust interfund receivable consists of employee unemployment compensation contributions due from the agency fund – payroll.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 14. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Oldham Resource Group  
Dreyfus Trust Company  
MetLife  
Enterprise

NOTE 15. TAX CALENDAR

Property taxes are levied by the District's constituent municipalities as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipalities and are remitted to the District on a predetermined mutually agreed-upon schedule.

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2011:

	Governmental Activities			Business-Type Activities		
	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds	Proprietary Funds	Fiduciary Funds
Vendors	\$ 48,142	\$ 10,310		\$ 58,452	\$ 5,056	\$ 16,359
State of New Jersey		6,798		6,798		
	<u>\$ 48,142</u>	<u>\$ 17,108</u>	<u>\$ -0-</u>	<u>\$ 65,250</u>	<u>\$ 5,056</u>	<u>\$ 16,359</u>

NOTE 17. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENT

Due to Schools Development Authority grant project expenditures being recorded in the general fund's capital outlay instead of in the capital projects fund we recorded adjustments to the District's capital assets and financial statements as follows:

	<u>Balance 6/30/10</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance 6/30/10</u> <u>as Restated</u>
<u>Capital Assets - Governmental Activities:</u>			
<u>Capital Assets not Being Depreciated:</u>			
Construction in Progress	42,186,394	1,619,971	43,806,365
<u>Capital Assets Being Depreciated:</u>			
Buildings and Building Improvements	12,424,924	(1,213,370)	11,211,554
Total Capital Assets, Net of Depreciation	54,621,298	406,601	55,027,899
<u>Statement of Net Assets:</u>			
<u>Governmental Activities:</u>			
Assets:			
Capital Assets, Net:			
Sites (Land) and Construction in Progress	\$ 48,431,894	\$ 1,619,971	\$ 50,051,865
Depreciable Buildings and Building Improvements and Furniture, Machinery and Equipment	6,189,404	(1,213,370)	4,976,034
Total Assets	59,785,906	406,601	60,192,507
Net Assets:			
Invested in Capital Assets, Net of Related Debt	26,313,271	406,601	26,719,872
Total Net Assets	29,697,469	406,601	30,104,070

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENT (Cont'd)

	<u>Balance 6/30/10</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance 6/30/10</u> <u>as Restated</u>
<u>Statement of Activities:</u>			
<u>Governmental Activities:</u>			
Expenses - Capital Outlay	496,506	(406,601)	89,905
Net Assets - Ending	29,697,469	406,601	30,104,070
<u>Balance Sheet - Governmental Funds:</u>			
<u>General Fund:</u>			
Assets:			
Cash and Cash Equivalents	3,094,244	1,619,971	4,714,215
Interfund Receivable	1,073,785	1,089,959	2,163,744
Total Assets	4,521,415	1,619,971	6,141,386
Fund Balances:			
Excess Surplus	-0-	1,622,121	1,622,121
Unreserved, Reported in General Fund:			
Undesignated	870,668	(2,150)	868,518
Total Fund Balances	3,327,384	1,619,971	4,947,355
<u>Capital Projects Fund:</u>			
Assets:			
Cash and Cash Equivalents	530,012	(530,012)	-0-
Total Assets	1,469,327	(530,012)	939,315
Liabilities:			
Interfund Payable	21,107	1,089,959	1,111,066
Total Liabilities	21,107	1,089,959	1,111,066
Fund Balances:			
Unreserved, Reported in General Fund:			
Capital Projects Fund	1,425,969	(1,619,971)	(194,002)
Total Fund Balances	1,448,220	(1,619,971)	(171,751)

**BUDGETARY COMPARISON SCHEDULES**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 39,995,215		\$ 39,995,215	\$ 39,995,215	
Tuition				295,888	\$ 295,888
Miscellaneous	64,730		64,730	214,376	149,646
<b>Total - Local Sources</b>	<u>40,059,945</u>		<u>40,059,945</u>	<u>40,505,479</u>	<u>445,534</u>
<b>State Sources:</b>					
Extraordinary Special Education Costs Aid				269,483	269,483
Nonpublic School Transportation Costs				17,522	17,522
TPAF Non-Contributory Insurance (On-Behalf - Nonbudgeted)				54,171	54,171
TPAF Post Retirement Medical Benefits (On-Behalf - Nonbudgeted)				1,150,603	1,150,603
Reimbursed TPAF Social Security Contributions (Nonbudgeted)				1,317,640	1,317,640
<b>Total State Sources</b>				<u>2,809,419</u>	<u>2,809,419</u>
<b>TOTAL REVENUES</b>	<u>40,059,945</u>		<u>40,059,945</u>	<u>43,314,898</u>	<u>3,254,953</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Regular Programs - Instruction:</b>					
Grades 9-12 - Salaries of Teachers	\$ 11,969,608	\$ (127,698)	\$ 11,841,910	\$ 11,663,442	\$ 178,468
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	84,025	13,388	97,413	97,413	
Purchased Professional - Educational Services		16,629	16,629	15,379	1,250
<b>Regular Programs - Undistributed Instruction:</b>					
Other Salaries for Instruction	110,291	(254)	110,037	106,065	3,972
Purchased Technical Services		1,200	1,200	1,200	
Other Purchased Services (400-500 series)	1,968,969	(129,327)	1,839,642	1,732,476	107,166
General Supplies	438,006	(17,160)	420,846	305,327	115,519
Textbooks	129,845	(2,568)	127,277	62,855	64,422
Other Objects	80,070	(1,704)	78,366	35,394	42,972
<b>Total Regular Programs - Instruction</b>	<u>14,780,814</u>	<u>(247,494)</u>	<u>14,533,320</u>	<u>14,019,551</u>	<u>513,769</u>
<b>Special Education - Instruction:</b>					
<b>Learning and/or Language Disabilities:</b>					
Salaries of Teachers		118,991	118,991	118,991	
General Supplies		975	975	975	
Textbooks		865	865	686	179
<b>Total Learning and/or Language Disabilities</b>		<u>120,831</u>	<u>120,831</u>	<u>120,652</u>	<u>179</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Special Education - Instruction: (Cont'd)</b>					
<b>Behavioral Disabilities:</b>					
Salaries of Teachers		\$ 170,878	\$ 170,878	\$ 167,767	\$ 3,111
Other Salaries for Instruction		58,833	58,833	58,833	
Purchased Professional - Educational Services		6,651	6,651		6,651
Other Purchased Services (400-500 series)		8,750	8,750	2,490	6,260
General Supplies		10,344	10,344	4,896	5,448
Textbooks		1,065	1,065		1,065
<b>Total Behavioral Disabilities</b>		<u>256,521</u>	<u>256,521</u>	<u>233,986</u>	<u>22,535</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	\$ 1,937,794	(241,999)	1,695,795	1,685,671	10,124
Other Salaries for Instruction	177,483	(30,817)	146,666	145,261	1,405
Other Purchased Services (400-500 series)		907	907	907	
General Supplies	5,875	(1,573)	4,302	3,995	307
Textbooks	4,261	(1,445)	2,816	966	1,850
<b>Total Resource Room/Resource Center</b>	<u>2,125,413</u>	<u>(274,927)</u>	<u>1,850,486</u>	<u>1,836,800</u>	<u>13,686</u>
<b>Total Special Education Instruction</b>	<u>2,125,413</u>	<u>102,425</u>	<u>2,227,838</u>	<u>2,191,438</u>	<u>36,400</u>
<b>Basic Skills/Remedial - Instruction:</b>					
Salaries of Teachers	28,447	(28,447)			
<b>Total Basic Skills/Remedial - Instruction</b>	<u>28,447</u>	<u>(28,447)</u>			

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Bilingual Education - Instruction:</b>					
Salaries of Teachers	\$ 36,880	\$ (36,880)			
General Supplies	600	(165)	\$ 435		\$ 435
<b>Total Bilingual Education - Instruction</b>	<b>37,480</b>	<b>(37,045)</b>	<b>435</b>		<b>435</b>
<b>School-Sponsored Cocurricular Activities - Instruction:</b>					
Salaries	376,000	16,382	392,382	\$ 392,061	321
Purchased Services (300-500 series)	6,000	(4,311)	1,689	1,689	
Supplies and Materials	67,109	(19,635)	47,474	44,953	2,521
Other Objects		14,484	14,484	14,446	38
<b>Total School-Sponsored Cocurricular Activities - Instruction</b>	<b>449,109</b>	<b>6,920</b>	<b>456,029</b>	<b>453,149</b>	<b>2,880</b>
<b>School-Sponsored Cocurricular Athletics - Instruction:</b>					
Salaries	916,345	(34,758)	881,587	877,663	3,924
Purchased Services (300-500 series)	301,836	22,529	324,365	318,648	5,717
Supplies and Materials	12,200	38,358	50,558	49,194	1,364
Other Objects	115,983	(42,371)	73,612	71,094	2,518
<b>Total School-Sponsored Cocurricular Athletics - Instruction</b>	<b>1,346,364</b>	<b>(16,242)</b>	<b>1,330,122</b>	<b>1,316,599</b>	<b>13,523</b>
<b>Total Instruction</b>	<b>18,767,627</b>	<b>(219,883)</b>	<b>18,547,744</b>	<b>17,980,737</b>	<b>567,007</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	\$ 100,000	\$ (25,102)	\$ 74,898	\$ 74,545	\$ 353
Tuition to County Vocational Schools - Regular	525,000	(1,485)	523,515	522,837	678
Tuition to County Vocational Schools - Special	125,000	(57,000)	68,000	67,414	586
Tuition to County Special Services Schools and Regional Day Schools	800,000	(101,954)	698,046	697,923	123
Tuition to Private Schools for the Disabled - Within the State	668,321	(25,627)	642,694	595,246	47,448
Tuition to Private Schools for the Disabled and Other LEAs - Special - Outside the State	100,000	(10,633)	89,367	74,820	14,547
Tuition - Other	30,551	1,443	31,994	30,942	1,052
<b>Total Undistributed Expenditures - Instruction</b>	<b>2,348,872</b>	<b>(220,358)</b>	<b>2,128,514</b>	<b>2,063,727</b>	<b>64,787</b>
Attendance and Social Work Services:					
Salaries	111,722		111,722	76,722	35,000
<b>Total Attendance and Social Work Services</b>	<b>111,722</b>		<b>111,722</b>	<b>76,722</b>	<b>35,000</b>
Health Services:					
Salaries	164,845	675	165,520	159,814	5,706
Other Purchased Services (400-500 series)	31,500	(1,244)	30,256	28,764	1,492
Supplies and Materials	3,272	428	3,700	3,700	
<b>Total Health Services</b>	<b>199,617</b>	<b>(141)</b>	<b>199,476</b>	<b>192,278</b>	<b>7,198</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Undistributed Expenditures:</b>					
<b>Speech, OT, PT and Related Services:</b>					
Salaries	\$ 98,456		\$ 98,456	\$ 64,364	\$ 34,092
Purchased Professional - Educational Services	6,500	\$ 61,883	68,383	58,430	9,953
<b>Total Speech, OT, PT and Related Services</b>	<u>104,956</u>	<u>61,883</u>	<u>166,839</u>	<u>122,794</u>	<u>44,045</u>
<b>Other Support Services - Students - Extraordinary Services:</b>					
Salaries	410,032	(52,332)	357,700	357,700	
Purchased Professional - Educational Services	287,809	(122,979)	164,830	141,425	23,405
<b>Total Other Support Services - Students - Extraordinary Services</b>	<u>697,841</u>	<u>(175,311)</u>	<u>522,530</u>	<u>499,125</u>	<u>23,405</u>
<b>Guidance:</b>					
Salaries of Other Professional Staff	1,071,316	57,679	1,128,995	1,034,042	94,953
Salaries of Secretarial and Clerical Assistants	198,000	3,217	201,217	194,261	6,956
Other Purchased Services (400-500 series)	5,535	609	6,144	4,668	1,476
Supplies and Materials	15,395	6,531	21,926	19,829	2,097
Other Objects	14,080	(930)	13,150	8,828	4,322
<b>Total Guidance</b>	<u>1,304,326</u>	<u>67,106</u>	<u>1,371,432</u>	<u>1,261,628</u>	<u>109,804</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Undistributed Expenditures:</b>					
<b>Child Study Teams:</b>					
Salaries of Other Professional Staff	\$ 637,837	\$ 31,833	\$ 669,670	\$ 669,670	
Salaries of Secretarial and Clerical Assistants	100,630	24,539	125,169	121,281	\$ 3,888
Purchased Professional - Educational Services	105,000	(15,429)	89,571	88,435	1,136
Miscellaneous Purchased Services (400-500 series)	250		250		250
Supplies and Materials	5,617	5,263	10,880	9,747	1,133
<b>Total Child Study Teams</b>	<b>849,334</b>	<b>46,206</b>	<b>895,540</b>	<b>889,133</b>	<b>6,407</b>
<b>Improvement of Instructional Services:</b>					
Salaries of Supervisors of Instruction	1,319,288	103,279	1,422,567	1,369,748	52,819
Salaries of Secretarial and Clerical Assistants	83,037	(59,170)	23,867	23,867	
Other Purchased Services (400-500 series)	1,825	9,508	11,333	10,973	360
Other Objects	40,000	(8,907)	31,093	17,501	13,592
<b>Total Improvement of Instructional Services</b>	<b>1,444,150</b>	<b>44,710</b>	<b>1,488,860</b>	<b>1,422,089</b>	<b>66,771</b>
<b>Educational Media Services/School Library:</b>					
Salaries	243,642	349	243,991	243,991	
Purchased Professional and Technical Services	10,900	9	10,909	7,690	3,219
Other Purchased Services (400-500 series)	4,540	(51)	4,489	662	3,827
Supplies and Materials	59,446	(76)	59,370	51,735	7,635
<b>Total Educational Media Services/School Library</b>	<b>318,528</b>	<b>231</b>	<b>318,759</b>	<b>304,078</b>	<b>14,681</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	\$ 160,839		\$ 160,839	\$ 157,610	\$ 3,229
Salaries of Secretarial and Clerical Assistants	51,715		51,715	47,756	3,959
Purchased Professional - Educational Services	85,400	\$ 10,631	96,031	95,937	94
Supplies and Materials	10,000	(3,089)	6,911	3,475	3,436
Other Objects	177,750	(40,464)	137,286	95,962	41,324
<b>Total Instructional Staff Training Services</b>	<b>485,704</b>	<b>(32,922)</b>	<b>452,782</b>	<b>400,740</b>	<b>52,042</b>
Support Services - General Administration:					
Salaries	424,093	(60,000)	364,093	359,373	4,720
Legal Services	75,000		75,000	57,256	17,744
Audit Fees	55,000	(2,920)	52,080	48,800	3,280
Architectural/Engineering Services		25,195	25,195	25,195	
Other Purchased Professional Services	54,960	(22,275)	32,685	2,606	30,079
Communications/Telephone	122,100	(12,782)	109,318	62,337	46,981
BOE Other Purchased Services	20,500	(4,793)	15,707		15,707
Miscellaneous Purchased Services (400-500 series)	29,000	14,509	43,509	25,273	18,236
General Supplies	16,075	180	16,255	1,106	15,149
Miscellaneous Expenditures	198,000	(4,227)	193,773	160,128	33,645
BOE Membership Dues and Fees	23,000		23,000	20,483	2,517
<b>Total Support Services - General Administration</b>	<b>1,017,728</b>	<b>(67,113)</b>	<b>950,615</b>	<b>762,557</b>	<b>188,058</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Undistributed Expenditures:</b>					
<b>Support Services - School Administration:</b>					
Salaries of Principals/Assistant Principals	\$ 847,133	\$ 1,800	\$ 848,933	\$ 848,933	
Salaries of Secretarial and Clerical Assistants	304,630	65,132	369,762	361,570	\$ 8,192
Other Purchased Services (400-500 series)	25,000	4,633	29,633	24,323	5,310
Supplies and Materials	21,500	(9,871)	11,629	9,748	1,881
Other Objects	9,000	(701)	8,299	6,085	2,214
<b>Total Support Services - School Administration</b>	<b>1,207,263</b>	<b>60,993</b>	<b>1,268,256</b>	<b>1,250,659</b>	<b>17,597</b>
<b>Central Services:</b>					
Salaries	506,427		506,427	421,107	85,320
Purchased Professional Services	20,000	(18,050)	1,950	1,950	
Purchased Technical Services	18,000		18,000	7,065	10,935
Miscellaneous Purchased Services (400-500 series)	37,500		37,500	17,694	19,806
Supplies and Materials	12,500	375	12,875	6,080	6,795
Interest on Lease Purchase Agreements	27,850	(7,250)	20,600	20,600	
Miscellaneous Expenditures	9,605	6,625	16,230	4,324	11,906
<b>Total Central Services</b>	<b>631,882</b>	<b>(18,300)</b>	<b>613,582</b>	<b>478,820</b>	<b>134,762</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Undistributed Expenditures:</b>					
<b>Administration Information Technology:</b>					
Salaries	\$ 213,545	\$ 69	\$ 213,614	\$ 210,353	\$ 3,261
Purchased Professional Services	20,000		20,000		20,000
Other Purchased Services (400-500 series)	45,000		45,000		45,000
Supplies and Materials	90,018	6,244	96,262	32,641	63,621
<b>Total Administration Information Technology</b>	<b>368,563</b>	<b>6,313</b>	<b>374,876</b>	<b>242,994</b>	<b>131,882</b>
<b>Required Maintenance of School Facilities:</b>					
Salaries	285,312	31,646	316,958	304,559	12,399
Cleaning, Repair and Maintenance Services	252,250	(10,094)	242,156	196,765	45,391
General Supplies	81,350	(11,915)	69,435	62,219	7,216
Other Objects		235	235	235	
<b>Total Required Maintenance of School Facilities</b>	<b>618,912</b>	<b>9,872</b>	<b>628,784</b>	<b>563,778</b>	<b>65,006</b>
<b>Custodial Services:</b>					
Salaries	1,427,294	(73,505)	1,353,789	1,329,939	23,850
Purchased Professional and Technical Services	60,000	(34,591)	25,409	24,311	1,098
Cleaning, Repair and Maintenance Services		52,128	52,128	51,760	368
Other Purchased Property Services	27,600	14,061	41,661	41,661	
Insurance	230,000	152,844	382,844	382,844	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>Undistributed Expenditures:</b>					
Custodial Services: (Cont'd)					
Miscellaneous Purchased Services	\$ 238,100	\$ (46,646)	\$ 191,454	\$ 185,283	\$ 6,171
General Supplies	81,840	6,737	88,577	79,658	8,919
Energy (Electricity)	483,100	98,993	582,093	579,228	2,865
Energy (Natural Gas)	525,000	(310,668)	214,332	146,637	67,695
Energy (Oil)	3,000		3,000	2,568	432
Other Objects		1,160	1,160	1,160	
<b>Total Custodial Services</b>	<b>3,075,934</b>	<b>(139,487)</b>	<b>2,936,447</b>	<b>2,825,049</b>	<b>111,398</b>
Care & Upkeep of Grounds:					
Salaries	102,586	(34,440)	68,146	51,468	16,678
Cleaning, Repair and Maintenance Services		9,935	9,935	4,067	5,868
General Supplies	21,500	2,194	23,694	20,867	2,827
<b>Total Care &amp; Upkeep of Grounds</b>	<b>124,086</b>	<b>(22,311)</b>	<b>101,775</b>	<b>76,402</b>	<b>25,373</b>
Security:					
Purchased Professional and Technical Services		1,396	1,396	1,396	
Cleaning, Repair and Maintenance Services		3,755	3,755	3,755	
Other Objects		1,877	1,877	1,877	
<b>Total Security</b>		<b>7,028</b>	<b>7,028</b>	<b>7,028</b>	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	\$ 80,884	\$ 4,700	\$ 85,584	\$ 85,583	\$ 1
Other Than Between Home and School - Regular	375,000	(375,000)			
Cleaning, Repair and Maintenance Services		117	117	117	
Contracted Services:					
Between Home and School - Vendors	579,180	(16,219)	562,961	533,953	29,008
Other Than Between Home and School - Vendors		349,920	349,920	344,654	5,266
Between Home and School - Joint Agreements	714,000	(714,000)			
Special Education Students - Joint Agreements		612,139	612,139	612,139	
Aid in Lieu - Nonpublic Students	65,000	(746)	64,254	64,108	146
General Supplies	850	359	1,209	475	734
Transportation Supplies		2,598	2,598	2,598	
Other Objects		66	66		66
Total Student Transportation Services	<u>1,814,914</u>	<u>(136,066)</u>	<u>1,678,848</u>	<u>1,643,627</u>	<u>35,221</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 472,000	\$ 50,611	\$ 522,611	\$ 499,952	\$ 22,659
Other Retirement Contributions - PERS	335,000	89,895	424,895	401,649	23,246
Other Retirement Contributions - Regular		718	718	718	
Workmen's Compensation	140,000	62,847	202,847	199,289	3,558
Health Benefits	3,824,800	379,615	4,204,415	4,165,837	38,578
Tuition Reimbursement	75,000	(7,680)	67,320	57,811	9,509
Other Employee Benefits	50,000	127,710	177,710	166,026	11,684
Total Unallocated Benefits	<u>4,896,800</u>	<u>703,716</u>	<u>5,600,516</u>	<u>5,491,282</u>	<u>109,234</u>
On-Behalf Contributions:					
TPAF Non-Contributory Insurance (On-Behalf - Nonbudgeted)				54,171	(54,171)
TPAF Post Retirement Medical Benefits (On-Behalf - Nonbudgeted)				1,150,603	(1,150,603)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)				1,317,640	(1,317,640)
Total On-Behalf Contributions				<u>2,522,414</u>	<u>(2,522,414)</u>
Total Personal Services - Employee Benefits	<u>4,896,800</u>	<u>703,716</u>	<u>5,600,516</u>	<u>8,013,696</u>	<u>(2,413,180)</u>
Total Undistributed Expenses	<u>21,621,132</u>	<u>196,049</u>	<u>21,817,181</u>	<u>23,096,924</u>	<u>(1,279,743)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>40,388,759</u>	<u>(23,834)</u>	<u>40,364,925</u>	<u>41,077,661</u>	<u>(712,736)</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY</b>					
<b>Equipment:</b>					
Regular Programs - Instruction:					
Grades 9-12	\$ 75,550	\$ (75,550)			
Special Education - Instruction:					
Resource Room/Resource Center		5,195	\$ 5,195	\$ 5,195	
School-Sponsored and Other Instructional Programs		25,550	25,550	21,987	\$ 3,563
<b>Undistributed Expenditures:</b>					
Support Services - Instructional Staff		25,925	25,925		25,925
Administrative Information Technology		42,714	42,714	42,714	
Required Maintenance of School Facilities	42,750	(11,190)	31,560	3,000	28,560
Custodial Services		11,190	11,190	11,190	
<b>Total Equipment</b>	<u>118,300</u>	<u>23,834</u>	<u>142,134</u>	<u>84,086</u>	<u>58,048</u>
<b>Facilities Acquisition and Construction Services:</b>					
Architectural/Engineering Services		49,818	49,818		49,818
Construction Services	1,235,000	(49,818)	1,185,182		1,185,182
Lease Purchase Agreements - Principal	764,601		764,601	539,838	224,763
Other Objects	10,000		10,000		10,000
<b>Total Facilities Acquisition and Construction Services</b>	<u>2,009,601</u>	<u></u>	<u>2,009,601</u>	<u>539,838</u>	<u>1,469,763</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
EXPENDITURES:					
CAPITAL OUTLAY					
Assets Acquired Under Capital Leases (Non-Budgeted):					
Equipment - Regular Programs - Grade 9-12				\$ 4,936,583	\$ (4,936,583)
Total Assets Acquired Under Capital Leases (non-budgeted)				4,936,583	(4,936,583)
TOTAL CAPITAL OUTLAY	\$ 2,127,901	\$ 23,834	\$ 2,151,735	5,560,507	(3,408,772)
TOTAL EXPENDITURES	42,516,660		42,516,660	46,638,168	(4,121,508)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,456,715)		(2,456,715)	(3,323,270)	(866,555)
Other Financing Sources/(Uses):					
Capital Leases (Non-Budgeted)				4,936,583	4,936,583
Operating Transfers In:					
Transfer from Capital Projects Fund				260,000	260,000
Capital Projects Fund - Interest Earned				4,233	4,233
Operating Transfers Out:					
Transfer to Capital Projects Fund from Capital Outlay				(1,436,855)	(1,436,855)
Total Other Financing Sources/(Uses)				3,763,961	3,763,961

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE 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>
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing (Uses)	\$ (2,456,715)		\$ (2,456,715)	\$ 440,691	\$ 2,897,406
Fund Balance, July 1 - Restated	<u>5,070,880</u>		<u>5,070,880</u>	<u>5,070,880</u>	
Fund Balance, June 30	<u>\$ 2,614,165</u>	<u>\$ -0-</u>	<u>\$ 2,614,165</u>	<u>\$ 5,511,571</u>	<u>\$ 2,897,406</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 955,529	
Capital Reserve				750,001	
Emergency Reserve				250,000	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				2,456,715	
Unassigned Fund Balance				<u>1,099,326</u>	
Fund Balance per Governmental Funds (Budgetary)				<u>\$ 5,511,571</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 5,511,571</u>	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 166,878	\$ 59,607	\$ 226,485	\$ 205,416	\$ (21,069)
Federal Sources	469,589	606,644	1,076,233	1,072,192	(4,041)
Total Revenues	<u>636,467</u>	<u>666,251</u>	<u>1,302,718</u>	<u>1,277,608</u>	<u>(25,110)</u>
EXPENDITURES:					
Instruction:					
Salaries	36,498	14,934	51,432	51,432	
Purchased Professional/Technical Services	5,140	141,921	147,061	142,500	4,561
Other Purchased Services (400-500 Series)		120,143	120,143	120,143	
Tuition	367,581	(3,283)	364,298	364,298	
Travel		7,300	7,300	7,300	
General Supplies		85,084	85,084	81,479	3,605
Textbooks	18,814	1,364	20,178	18,200	1,978
Other Objects		37,000	37,000	37,000	
Total Instruction	<u>428,033</u>	<u>404,463</u>	<u>832,496</u>	<u>822,352</u>	<u>10,144</u>
Support Services:					
Personal Services - Employee Benefits	3,930	5,356	9,286	9,286	
Purchased Professional/Educational Services	181,098	53,818	234,916	219,950	14,966
Other Purchased Professional and Technical Services	23,406	540	23,946	23,946	
Total Support Services	<u>208,434</u>	<u>59,714</u>	<u>268,148</u>	<u>253,182</u>	<u>14,966</u>
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment		202,074	202,074	202,074	
Total Facilities Acquisition and Construction Services		<u>202,074</u>	<u>202,074</u>	<u>202,074</u>	
Total Expenditures	<u>636,467</u>	<u>666,251</u>	<u>1,302,718</u>	<u>1,277,608</u>	<u>25,110</u>
Excess of Revenues Over Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES 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>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 43,314,898	\$ 1,277,608
Difference - Budget to GAAP:		
Prior Year State Aid Payment Recognized for GAAP Statements, not Recognized for Budgetary Purposes	<u>123,525</u>	
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 43,438,423</u>	 <u>\$ 1,277,608</u>
 Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 46,638,168</u>	<u>\$ 1,277,608</u>
 Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 46,638,168</u>	 <u>\$ 1,277,608</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the fiscal year, the District cannot recognize these payments on the GAAP financial statements.

**SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)**

**SPECIAL REVENUE FUND**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>No Child Left Behind</u>			<u>Foreign Language Assistance Program - Chinese Flap</u>
	<u>Title I</u>	<u>Title II, Part A</u>	<u>Title II, Part D</u>	
<b>REVENUE:</b>				
State Sources				
Federal Sources	\$ 27,734	\$ 27,984	\$ 37	\$ 212,900
<b>Total Revenue</b>	<u>27,734</u>	<u>27,984</u>	<u>37</u>	<u>212,900</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries	23,112	23,320		5,000
Purchased Professional/Technical Services				142,500
Other Purchased Services (400-500 Series)				
Tuition				
Travel				7,300
General Supplies				21,100
Textbooks				
Other Objects				37,000
<b>Total Instruction</b>	<u>23,112</u>	<u>23,320</u>		<u>212,900</u>
Support Services:				
Personal Services - Employee Benefits	4,622	4,664		
Purchased Professional/Educational Services				
Other Purchased Professional and Technical Services			37	
<b>Total Support Services</b>	<u>4,622</u>	<u>4,664</u>	<u>37</u>	
Facilities Acquisition and Construction Services:				
Non-Instructional Equipment				
<b>Total Facilities Acquisition and Construction Services</b>				
<b>Total Expenditures</b>	<u>\$ 27,734</u>	<u>\$ 27,984</u>	<u>\$ 37</u>	<u>\$ 212,900</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	IDEA, Part B Basic	American Recovery and Reinvestment Act IDEA, Part B Basic	Nonpublic	
			Textbook	Nursing
<b>REVENUE:</b>				
State Sources			\$ 18,200	\$ 23,909
Federal Sources	\$ 420,941	\$ 382,596		
<b>Total Revenue</b>	<u>420,941</u>	<u>382,596</u>	<u>18,200</u>	<u>23,909</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries				
Purchased Professional/Technical Services				
Other Purchased Services (400-500 Series)		120,143		
Tuition	364,298			
Travel				
General Supplies		60,379		
Textbooks			18,200	
Other Objects				
<b>Total Instruction</b>	<u>364,298</u>	<u>180,522</u>	<u>18,200</u>	
Support Services:				
Personal Services - Employee Benefits				
Purchased Professional/Educational Services	56,643			
Other Purchased Professional and Technical Services				23,909
<b>Total Support Services</b>	<u>56,643</u>			<u>23,909</u>
Facilities Acquisition and Construction Services:				
Non-Instructional Equipment		202,074		
<b>Total Facilities Acquisition and Construction Services</b>		<u>202,074</u>		
<b>Total Expenditures</b>	<u>\$ 420,941</u>	<u>\$ 382,596</u>	<u>\$ 18,200</u>	<u>\$ 23,909</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Nonpublic Auxiliary Services (Chapter 192)	Nonpublic Handicapped Services (Chapter 193)		Totals June 30, 2011
	Compensatory Education	Supplementary Instruction	Examination and Classification	
REVENUE:				
State Sources	\$ 86,260	\$ 35,575	\$ 41,472	\$ 205,416
Federal Sources				1,072,192
Total Revenue	<u>86,260</u>	<u>35,575</u>	<u>41,472</u>	<u>1,277,608</u>
EXPENDITURES:				
Instruction:				
Salaries				51,432
Purchased Professional/Technical Services				142,500
Other Purchased Services (400-500 Series)				120,143
Tuition				364,298
Travel				7,300
General Supplies				81,479
Textbooks				18,200
Other Objects				37,000
Total Instruction				<u>822,352</u>
Support Services:				
Personal Services - Employee Benefits				9,286
Purchased Professional/Educational Services	86,260	35,575	41,472	219,950
Other Purchased Professional and Technical Services				23,946
Total Support Services	<u>86,260</u>	<u>35,575</u>	<u>41,472</u>	<u>253,182</u>
Facilities Acquisition and Construction Services:				
Non-Instructional Equipment				202,074
Total Facilities Acquisition and Construction Services				<u>202,074</u>
Total Expenditures	<u>\$ 86,260</u>	<u>\$ 35,575</u>	<u>\$ 41,472</u>	<u>\$ 1,277,608</u>

**CAPITAL PROJECTS FUND**

## Exhibit F-1

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2011

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ 993,375
Transfer from Capital Outlay	1,436,855
Interest Revenue	4,233
	<hr/>
Total Revenue and Other Financing Sources	2,434,463
	<hr/>
Expenditures and Other Financing Uses:	
Legal Services	3,416
Purchased Professional and Technical Services	70,674
Construction Services	120,336
Operating Transfers Out:	
Transfer to Capital Outlay	260,000
General Fund - Interest Earned	4,233
	<hr/>
Total Expenditures and Other Financing Uses	458,659
	<hr/>
Excess/(Deficiency) of Revenue and Other Financing Sources	
Over/(Under) Expenditures and Other Financing Uses	1,975,804
	<hr/>
Fund Balance - Beginning - Restated	629,621
	<hr/>
Fund Balance - Ending	\$ 2,605,425
	<hr/> <hr/>
Recapitulation:	
Committed Fund Balance	\$ 2,525,024
Restricted Fund Balance	80,401
	<hr/>
	2,605,425
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grant not Recognized on GAAP Basis	<hr/> (1,180,411)
Fund Balance per Governmental Funds (GAAP)	\$ 1,425,014
	<hr/> <hr/>
Reconciliation of Revenue from Budgetary Basis to GAAP Basis:	
SDA Grant Revenue (Budgetary Basis)	\$ 993,375
SDA Grants are recognized as revenue on the Budgetary Basis when awarded but are not recognized on the GAAP Basis until expended.	<hr/> (379,039)
SDA Grant Revenue (GAAP Basis)	\$ 614,336
	<hr/> <hr/>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
CONSTRUCT AND EQUIP ADDITIONS AND RENOVATIONS TO BOTH HIGH SCHOOLS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year	Totals	Project Authorization
<b>Revenue and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 11,543,555		\$ 11,543,555	\$ 11,543,555
Bond Proceeds and Transfers	30,723,000		30,723,000	30,723,000
Transfer from Capital Outlay	240		240	240
<b>Total Revenue and Other Financing Sources</b>	<b>42,266,795</b>		<b>42,266,795</b>	<b>42,266,795</b>
<b>Expenditures and Other Financing Uses:</b>				
Legal Services	94,745		94,745	94,745
Purchased Professional and Technical Services	3,947,503		3,947,503	3,947,503
Land and Improvements	207,919		207,919	207,919
Construction Services	37,293,405		37,293,405	37,464,663
Equipment Purchases	203,996		203,996	113,139
Other Objects	438,826		438,826	438,826
<b>Total Expenditures</b>	<b>42,186,394</b>		<b>42,186,394</b>	<b>42,266,795</b>
<b>Excess/(Deficiency) of Revenue Over/(Under) Expenditures</b>	<b>\$ 80,401</b>	<b>\$ -0-</b>	<b>\$ 80,401</b>	<b>\$ -0-</b>

**Additional Project Information:**

Project Number(s)	SP-3960-050-03-1417 & 1418
Grant Date	03/19/04
Bond Authorization Date	12/09/03
Bonds Authorized	\$ 30,723,000
Bonds Issued	\$ 30,723,000
Original Authorized Cost	\$ 40,746,409
Change Orders	\$ 1,520,386
Revised Authorized Cost	\$ 42,266,795
Change Order Percentage	3.73%
Percentage Completion	99.81%
Original Target Completion Date	08/01/06
Revised Target Completion Date	03/31/11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WINDOW REPLACEMENT AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Restated</u> <u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project</u> <u>Authorization</u>
<b>Revenue and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 87,705		\$ 87,705	\$ 87,705
Transfer from Capital Outlay	131,557		131,557	131,557
<b>Total Revenue and Other Financing Sources</b>	<b>219,262</b>		<b>219,262</b>	<b>219,262</b>
<b>Expenditures:</b>				
Legal Services				5,000
Purchased Professional and Technical Services	1,478	\$ 1,080	2,558	28,000
Construction Services		63,840	63,840	168,420
Other Objects				17,842
<b>Total Expenditures</b>	<b>1,478</b>	<b>64,920</b>	<b>66,398</b>	<b>219,262</b>
<b>Excess/(Deficiency) of Revenue Over/(Under)</b>				
Expenditures	\$ 217,784	\$ (64,920)	\$ 152,864	\$ -0-

**Additional Project Information:**

Project Number(s)	SP-3960-050-09-1004
Grant Date	05/27/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 219,262
Change Orders	
Revised Authorized Cost	\$ 219,262
Percentage Increase Over	
Original Authorized Cost	0.00%
Percentage Completion	30.28%
Original Target Completion Date	12/3/10
Revised Target Completion Date	11/30/11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATION OF EXISTING PRE-K CLASSROOM AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	Restated Prior Periods	Current Year	Totals	Project Authorization
<b>Revenue and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 99,332		\$ 99,332	\$ 99,332
Transfer from Capital Outlay	148,997	\$ (47,000)	101,997	101,997
<b>Total Revenue and Other Financing Sources</b>	<b>248,329</b>	<b>(47,000)</b>	<b>201,329</b>	<b>201,329</b>
<b>Expenditures:</b>				
Purchased Professional and Technical Services	8,620		8,620	13,500
Construction Services	175,492		175,492	187,829
<b>Total Expenditures</b>	<b>184,112</b>		<b>184,112</b>	<b>201,329</b>
<b>Excess/(Deficiency) of Revenue Over/(Under) Expenditures</b>	<b>\$ 64,217</b>	<b>\$ (47,000)</b>	<b>\$ 17,217</b>	<b>\$ -0-</b>

**Additional Project Information:**

Project Number(s)	SP-3960-050-09-1001
Grant Date	07/31/09
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 248,329
Change Orders	
Revised Authorized Cost	\$ 248,329
Change Order Percentage	0.00%
Percentage Completion	91.45%
Original Target Completion Date	12/01/11
Revised Target Completion Date	05/30/11

Exhibit F-1d

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATION TO PASCACK HILLS HIGH SCHOOL AUDITORIUM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Restated</u>		<u>Totals</u>	<u>Project</u>
	<u>Prior Periods</u>	<u>Current Year</u>		<u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 614,336		\$ 614,336	\$ 614,336
Transfer from Capital Outlay	1,087,264	\$ (213,000)	874,264	874,264
<b>Total Revenue and Other Financing Sources</b>	<u>1,701,600</u>	<u>(213,000)</u>	<u>1,488,600</u>	<u>1,488,600</u>
Expenditures:				
Purchased Professional and Technical Services	68,425	33	68,458	69,800
Construction Services	1,365,956	49,846	1,415,802	1,418,800
<b>Total Expenditures</b>	<u>1,434,381</u>	<u>49,879</u>	<u>1,484,260</u>	<u>1,488,600</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	<u>\$ 267,219</u>	<u>\$ (262,879)</u>	<u>\$ 4,340</u>	<u>\$ -0-</u>

## Additional Project Information:

Project Number(s)	SP 3960-040-09-1003
Grant Date	07/31/09
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,812,107
Change Orders	\$ (323,507)
Revised Authorized Cost	\$ 1,488,600
Change Order Percentage	-17.85%
Percentage Completion	99.71%
Original Target Completion Date	12/01/11
Revised Target Completion Date	03/31/11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATION TO DANCE AND FITNESS ROOMS AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 27,060	\$ 27,060	\$ 27,060
Transfer from Capital Outlay		40,590	40,590	40,590
<b>Total Revenue and Other Financing Sources</b>		<b>67,650</b>	<b>67,650</b>	<b>67,650</b>
Expenditures:				
Legal Services		825	825	1,000
Purchased Professional and Technical Services		3,635	3,635	10,375
Construction Services				55,000
Other Objects				1,275
<b>Total Expenditures</b>		<b>4,460</b>	<b>4,460</b>	<b>67,650</b>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures	\$ -0-	\$ 63,190	\$ 63,190	\$ -0-

Additional Project Information:

DOE Project Number(s)	3960-050-10-1010
SDA Project Number(s)	3960-050-10-G0NL
Grant Date	04/26/11
Original Authorized Cost	\$ 67,650
Change Orders	
Revised Authorized Cost	\$ 67,650
Change Order Percentage	0.00%
Percentage Completion	6.59%
Original Target Completion Date	11/04/11
Revised Target Completion Date	11/04/11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WINDOW REPLACEMENT AT PASCACK HILLS HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 110,272	\$ 110,272	\$ 110,272
Transfer from Capital Outlay		165,409	165,409	165,409
Total Revenue and Other Financing Sources		<u>275,681</u>	<u>275,681</u>	<u>275,681</u>
Expenditures:				
Legal Services				4,250
Purchased Professional and Technical Services				22,500
Construction Services				224,028
Other Objects				24,903
Total Expenditures				<u>275,681</u>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures	\$ -0-	\$ 275,681	\$ 275,681	\$ -0-

Additional Project Information:

Project Number(s)	SP 3960-040-10-1009
Grant Date	04/26/11
Original Authorized Cost	\$ 275,681
Change Orders	
Revised Authorized Cost	\$ 275,681
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	07/31/12
Revised Target Completion Date	07/31/12

Exhibit F-1g

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT AT PASCACK HILLS HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 134,140	\$ 134,140	\$ 134,140
Transfer from Capital Outlay		201,210	201,210	201,210
<b>Total Revenue and Other Financing Sources</b>		<b>335,350</b>	<b>335,350</b>	<b>335,350</b>
Expenditures:				
Legal Services				5,000
Purchased Professional and Technical Services				30,850
Construction Services				270,000
Other Objects				29,500
<b>Total Expenditures</b>				<b>335,350</b>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures	\$ -0-	\$ 335,350	\$ 335,350	\$ -0-

## Additional Project Information:

DOE Project Number(s)	3960-040-10-1003
SDA Project Number(s)	3960-040-10-GONF
Grant Date	04/26/11
Original Authorized Cost	\$ 335,350
Change Orders	
Revised Authorized Cost	\$ 335,350
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	07/31/11
Revised Target Completion Date	07/31/11

Exhibit F-1h

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
CONSTRUCTION OF SCIENCE LAB AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 242,822	\$ 242,822	\$ 242,822
Transfer from Capital Outlay		364,234	364,234	364,234
<b>Total Revenue and Other Financing Sources</b>		<b>607,056</b>	<b>607,056</b>	<b>607,056</b>
Expenditures:				
Legal Services		566	566	4,500
Purchased Professional and Technical Services		25,213	25,213	54,100
Construction Services				493,625
Other Objects				54,831
<b>Total Expenditures</b>		<b>25,779</b>	<b>25,779</b>	<b>607,056</b>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures	\$ -0-	\$ 581,277	\$ 581,277	\$ -0-

## Additional Project Information:

DOE Project Number(s)	3960-050-10-1006
SDA Project Number(s)	3960-050-10-G0NJ
Grant Date	04/26/11
Original Authorized Cost	\$ 607,056
Change Orders	
Revised Authorized Cost	\$ 607,056
Change Order Percentage	0.00%
Percentage Completion	4.25%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

Exhibit F-1i

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 175,400	\$ 175,400	\$ 175,400
Transfer from Capital Outlay		209,890	209,890	209,890
<b>Total Revenue and Other Financing Sources</b>		<b>385,290</b>	<b>385,290</b>	<b>385,290</b>
Expenditures:				
Legal Services		368	368	5,000
Purchased Professional and Technical Services		11,723	11,723	35,000
Construction Services				306,790
Other Objects				38,500
<b>Total Expenditures</b>		<b>12,091</b>	<b>12,091</b>	<b>385,290</b>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	\$ -0-	\$ 373,199	\$ 373,199	\$ -0-

## Additional Project Information:

DOE Project Number(s)	3960-050-10-1004
SDA Project Number(s)	3960-050-10-G0NH
Grant Date	04/26/11
Original Authorized Cost	\$ 613,900
Change Orders	
Revised Authorized Cost	\$ 613,900
Change Order Percentage	0.00%
Percentage Completion	3.14%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

Exhibit F-1j

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATION OF LIFE SKILLS CLASSROOM AND UPGRADE OF LIFE SKILLS HVAC SYSTEM  
AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 192,881	\$ 192,881	\$ 192,881
Transfer from Capital Outlay		289,322	289,322	289,322
<b>Total Revenue and Other Financing Sources</b>		<b>482,203</b>	<b>482,203</b>	<b>482,203</b>
Expenditures:				
Legal Services		370	370	3,000
Purchased Professional and Technical Services		17,550	17,550	42,150
Construction Services				392,150
Other Objects				44,903
<b>Total Expenditures</b>		<b>17,920</b>	<b>17,920</b>	<b>482,203</b>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	\$ -0-	\$ 464,283	\$ 464,283	\$ -0-

## Additional Project Information:

DOE Project Number(s)	3960-050-10-1008
SDA Project Number(s)	3960-050-10-GONK
Grant Date	04/26/11
Original Authorized Cost	\$ 482,203
Change Orders	
Revised Authorized Cost	\$ 482,203
Change Order Percentage	0.00%
Percentage Completion	3.72%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
UPGRADE OF EXISTING ELEVATOR AT PASCACK VALLEY HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 110,800	\$ 110,800	\$ 110,800
Transfer from Capital Outlay		166,200	166,200	166,200
<b>Total Revenue and Other Financing Sources</b>		<b>277,000</b>	<b>277,000</b>	<b>277,000</b>
Expenditures:				
Legal Services		1,287	1,287	3,500
Purchased Professional and Technical Services		11,440	11,440	24,000
Construction Services		6,650	6,650	225,000
Other Objects				24,500
<b>Total Expenditures</b>		<b>19,377</b>	<b>19,377</b>	<b>277,000</b>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures	\$ -0-	\$ 257,623	\$ 257,623	\$ -0-

## Additional Project Information:

DOE Project Number(s)	3960-050-10-1005
SDA Project Number(s)	3960-050-10-G0NI
Grant Date	04/26/11
Original Authorized Cost	\$ 277,000
Change Orders	
Revised Authorized Cost	\$ 277,000
Change Order Percentage	0.00%
Percentage Completion	7.00%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

**PROPRIETARY FUNDS**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2011

	Non-Major Programs			Major Program		
	Food Service	Region II Administration	Transportation	Total	Region II Transportation	Totals
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents	\$ 143,073			\$ 143,073		\$ 143,073
Accounts Receivable:						
Intergovernmental					\$ 337,984	337,984
Other	10			10		10
Inventories	5,695			5,695		5,695
<b>Total Current Assets</b>	<b>148,778</b>			<b>148,778</b>	<b>337,984</b>	<b>486,762</b>
Non-Current Assets:						
Capital Assets	194,257			194,257		194,257
Less: Accumulated Depreciation	(175,357)			(175,357)		(175,357)
<b>Total Non-Current Assets</b>	<b>18,900</b>			<b>18,900</b>		<b>18,900</b>
<b>Total Assets</b>	<b>167,678</b>			<b>167,678</b>	<b>337,984</b>	<b>505,662</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Interfund Payable - General Fund					337,984	337,984
Accounts Payable - Vendors	5,056			5,056		5,056
<b>Total Current Liabilities</b>	<b>5,056</b>			<b>5,056</b>	<b>337,984</b>	<b>343,040</b>
<b>NET ASSETS</b>						
Investment in Capital Assets, Net of Related Debt	18,900			18,900		18,900
Unrestricted	143,722			143,722		143,722
<b>Total Net Assets</b>	<b>\$ 162,622</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 162,622</b>	<b>\$ -0-</b>	<b>\$ 162,622</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Non-Major Programs					Major Program	
	Region II				Totals	Region II	Totals
	Food Service	Summer School	Administration	Transportation		Transportation	
Operating Revenue:							
Charges for Services:							
Daily Sales - Non-Reimbursable Programs	\$ 887,859				\$ 887,859		\$ 887,859
Special Events	17,263				17,263		17,263
Free Lunch Subsidized	28,633				28,633		28,633
Charges and Fees		\$ 29,539	\$ 574,286	\$ 126,769	730,594	\$ 4,435,596	5,166,190
<b>Total Operating Revenue</b>	<b>933,755</b>	<b>29,539</b>	<b>574,286</b>	<b>126,769</b>	<b>1,664,349</b>	<b>4,435,596</b>	<b>6,099,945</b>
Operating Expenses:							
Cost of Sales	429,421				429,421		429,421
Salaries	296,187	23,730	326,897		646,814	153,846	800,660
Employee Benefits	23,385	1,815	126,432		151,632		151,632
Purchased Services	89,079	3,500	69,805	53,820	216,204	1,224,447	1,440,651
Contracted Services			3,973	72,949	76,922	3,061,557	3,138,479
Supplies and Materials	29,968	236	6,720		36,924		36,924
Depreciation Expense	1,801				1,801		1,801
Miscellaneous	21,171	258	36,205		57,634		57,634
<b>Total Operating Expenses</b>	<b>891,012</b>	<b>29,539</b>	<b>570,032</b>	<b>126,769</b>	<b>1,617,352</b>	<b>4,439,850</b>	<b>6,057,202</b>
<b>Operating Income/(Loss)</b>	<b>42,743</b>		<b>4,254</b>		<b>46,997</b>	<b>(4,254)</b>	<b>42,743</b>
Non-Operating Revenue:							
Interest Revenue	1,172				1,172		1,172
<b>Total Non-Operating Revenue</b>	<b>1,172</b>				<b>1,172</b>		<b>1,172</b>
<b>Net Income (Loss) Before Operating Transfers</b>	<b>43,915</b>		<b>4,254</b>		<b>48,169</b>	<b>(4,254)</b>	<b>43,915</b>
Transfers			(4,254)		(4,254)	4,254	
<b>Change in Net Assets</b>	<b>43,915</b>				<b>43,915</b>		<b>43,915</b>
Net Assets - Beginning of Year	118,707				118,707		118,707
<b>Net Assets - End of Year</b>	<b>\$ 162,622</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 162,622</b>	<b>\$ -0-</b>	<b>\$ 162,622</b>

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Non-Major Programs					Major Program	
	Region II					Region II	
	Food Service	Summer School	Administration	Transportation	Totals	Transportation	Totals
<b>Cash Flows from Operating Activities:</b>							
Receipts from Customers	\$ 905,122	\$ 29,539	\$ 574,286	\$ 142,358	\$ 1,651,305	\$ 4,435,596	\$ 6,086,901
Receipts from District	28,633				28,633		28,633
Payments to Employees		(23,730)	(326,897)		(350,627)	(153,846)	(504,473)
Payments for Employee Benefits		(1,815)	(165,968)		(167,783)		(167,783)
Payments for Services		(3,500)	(73,778)	(142,358)	(219,636)	(4,286,004)	(4,505,640)
Payments to Food Service Vendor	(793,860)				(793,860)		(793,860)
Payments to Suppliers	(23,326)	(494)	(42,925)		(66,745)		(66,745)
<b>Net Cash Provided by/(Used for) Operating Activities</b>	<b>116,569</b>		<b>(35,282)</b>		<b>81,287</b>	<b>(4,254)</b>	<b>77,033</b>
<b>Cash Flows from Investing Activities:</b>							
Interest Income	1,172				1,172		1,172
<b>Net Cash Provided by Investing Activities</b>	<b>1,172</b>				<b>1,172</b>		<b>1,172</b>
<b>Cash Flows from Noncapital Financing Activities:</b>							
Equity Transfer			(4,254)		(4,254)	4,254	
<b>Net Cash Provided by/(Used for) Noncapital Financing Activities</b>			<b>(4,254)</b>		<b>(4,254)</b>	<b>4,254</b>	
<b>Cash Flows from Capital and Related Financing Activities:</b>							
Purchase of Capital Assets	(2,155)				(2,155)		(2,155)
<b>Net Cash Used for Capital and Related Financing Activities</b>	<b>(2,155)</b>				<b>(2,155)</b>		<b>(2,155)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>115,586</b>		<b>(39,536)</b>		<b>76,050</b>		<b>76,050</b>
<b>Cash and Cash Equivalents, July 1</b>	<b>27,487</b>		<b>39,536</b>		<b>67,023</b>		<b>67,023</b>
<b>Cash and Cash Equivalents, June 30</b>	<b>\$ 143,073</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 143,073</b>	<b>\$ -0-</b>	<b>\$ 143,073</b>
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>							
Operating Income/(Loss)	\$ 42,743	\$ -0-	\$ 4,254	\$ -0-	\$ 46,997	\$ (4,254)	\$ 42,743
<b>Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>							
Depreciation	1,801				1,801		1,801
<b>Changes in Assets and Liabilities:</b>							
Decrease in Accounts Receivable	69,227			15,589	84,816	540,302	625,118
(Increase) in Inventory	(2,258)				(2,258)		(2,258)
(Decrease) in Interfund Payable			(39,536)	(13,131)	(52,667)	(540,302)	(592,969)
Increase in Accounts Payable	5,056			(2,458)	2,598		2,598
<b>Net Cash Provided by/(Used for) Operating Activities</b>	<b>\$ 116,569</b>	<b>\$ -0-</b>	<b>\$ (35,282)</b>	<b>\$ -0-</b>	<b>\$ 81,287</b>	<b>\$ (4,254)</b>	<b>\$ 77,033</b>

**FIDUCIARY FUNDS**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF NET ASSETS  
JUNE 30, 2011

	Agency				Unemployment Compensation Trust	Private Purpose Scholarship Trust	
	Student Activity	Payroll	Professional Development	E-Learning			Total
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 245,545	\$ 36,145	\$ 3,339	\$ 238,258	\$ 523,287	\$ 65,935	\$ 318,023
Investments	46,108				46,108		
Interfund Receivable: Payroll Agency Fund						8,266	
<b>Total Assets</b>	<b>291,653</b>	<b>36,145</b>	<b>3,339</b>	<b>238,258</b>	<b>569,395</b>	<b>74,201</b>	<b>318,023</b>
<b>LIABILITIES</b>							
Interfund Payable:							
General Fund		17,184			17,184		
Unemployment Compensation Trust Fund		8,266			8,266		
Accounts Payable - Vendors	16,359				16,359		
Payroll Deductions and Withholdings		10,695			10,695		
Due to Student Groups	275,294				275,294		
Professional Development Costs			3,339		3,339		
E-Learning				238,258	238,258		
<b>Total Liabilities</b>	<b>291,653</b>	<b>36,145</b>	<b>3,339</b>	<b>238,258</b>	<b>569,395</b>		
<b>NET ASSETS</b>							
Held in Trust for Unemployment Claims and Other Purposes						74,201	
Reserved for Scholarships							318,023
<b>Total Net Assets</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 74,201</b>	<b>\$ 318,023</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUND  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
<b>ADDITIONS:</b>		
Contributions:		
Plan Member	\$ 30,163	
Other		\$ 14,958
Total Contributions	<u>30,163</u>	<u>14,958</u>
Investment Earnings:		
Interest	<u>808</u>	<u>3,747</u>
Net Investment Earnings	<u>808</u>	<u>3,747</u>
Total Additions	<u>30,971</u>	<u>18,705</u>
<b>DEDUCTIONS:</b>		
Quarterly Contribution Reports	94,077	
Scholarships Awarded		10,853
Total Deductions	<u>94,077</u>	<u>10,853</u>
Change in Net Assets	(63,106)	7,852
Net Assets - Beginning of the Year	<u>137,307</u>	<u>310,171</u>
Net Assets - End of the Year	<u>\$ 74,201</u>	<u>\$ 318,023</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 236,757	\$ 1,117,079	\$ 1,108,291	\$ 245,545
Investments	45,248	860		46,108
Total Assets	<u>\$ 282,005</u>	<u>\$ 1,117,939</u>	<u>\$ 1,108,291</u>	<u>\$ 291,653</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 9,812	\$ 16,359	\$ 9,812	\$ 16,359
Due to Student Groups	272,193	1,101,580	1,098,479	275,294
Total Liabilities	<u>\$ 282,005</u>	<u>\$ 1,117,939</u>	<u>\$ 1,108,291</u>	<u>\$ 291,653</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF ACTIVITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
High Schools:				
Pascack Hills Activities	\$ 90,602	\$ 490,432	\$ 466,196	\$ 114,838
Pascack Hills Athletics	4,933	98,349	90,280	13,002
Pascack Valley Activities	174,565	419,663	456,496	137,732
Pascack Valley Athletics	<u>2,093</u>	<u>109,495</u>	<u>101,865</u>	<u>9,723</u>
Total All Schools	<u>\$ 272,193</u>	<u>\$ 1,117,939</u>	<u>\$ 1,114,837</u>	<u>\$ 275,295</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 32,758	\$27,309,227	\$27,305,840	\$ 36,145
Total Assets	<u>\$ 32,758</u>	<u>\$27,309,227</u>	<u>\$27,305,840</u>	<u>\$ 36,145</u>
 <b>LIABILITIES:</b>				
Interfund Payable:				
General Fund	\$ 28,420	\$ 5,268	\$ 16,504	\$ 17,184
Unemployment Compensation Trust Fund	1,653	8,266	1,653	8,266
Payroll Deductions and Withholdings	2,685	27,295,693	27,287,683	10,695
Total Liabilities	<u>\$ 32,758</u>	<u>\$27,309,227</u>	<u>\$27,305,840</u>	<u>\$ 36,145</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROFESSIONAL DEVELOPMENT COSTS AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents		\$ 7,000	\$ 3,661	\$ 3,339
Interfund Receivables	\$ 7,000		7,000	
Total Assets	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 10,661</u>	<u>\$ 3,339</u>
<b>LIABILITIES:</b>				
Professional Development Costs	\$ 7,000	\$ 7,000	\$ 10,661	\$ 3,339
Total Liabilities	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 10,661</u>	<u>\$ 3,339</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
E-LEARNING AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 176,439	\$ 149,040	\$ 87,221	\$ 238,258
Total Assets	<u>\$ 176,439</u>	<u>\$ 149,040</u>	<u>\$ 87,221</u>	<u>\$ 238,258</u>
<b>LIABILITIES:</b>				
E-Learning Costs	\$ 176,439	\$ 149,040	\$ 87,221	\$ 238,258
Total Liabilities	<u>\$ 176,439</u>	<u>\$ 149,040</u>	<u>\$ 87,221</u>	<u>\$ 238,258</u>

**LONG-TERM DEBT**

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance June 30, 2010	Retired/ Matured	Balance June 30, 2011
			Date	Amount				
Various School Improvements	04/01/04	\$ 30,723,000	08/15/11	\$ 965,000	3.500%			
			08/15/12	1,015,000	3.500%			
			08/15/13	1,060,000	3.750%			
			08/15/14	1,110,000	3.750%			
			08/15/15	1,160,000	4.000%			
			08/15/16	1,215,000	4.000%			
			08/15/17	1,275,000	4.000%			
			08/15/18	1,335,000	4.000%			
			08/15/19	1,395,000	4.000%			
			08/15/20	1,460,000	4.000%			
			08/15/21	1,530,000	4.000%			
			08/15/22	1,605,000	4.000%			
			08/15/23	1,680,000	4.125%			
			08/15/24	1,755,000	4.125%			
			08/15/25	1,840,000	4.200%			
			08/15/26	1,925,000	4.250%			
			08/15/27	2,015,000	4.250%			
08/15/28	2,108,000	4.250%	\$ 27,373,000	\$ 925,000	\$ 26,448,000			
						\$ 27,373,000	\$ 925,000	\$ 26,448,000

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2010</u>	<u>Issued</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2011</u>
Pascack Valley Track & Field Project	3.69%	\$ 1,098,540	\$ 235,912		\$ 235,912	
Pascack Hills Synthetic Athletic Field & Lights Project	3.43%	1,387,248	600,569		295,221	\$ 305,348
Cisco Wireless Network	N/A	348,196	178,947		178,947	
Laptop Computers	N/A	4,936,583		\$ 4,936,583		4,936,583
			<u>\$ 1,015,428</u>	<u>\$ 4,936,583</u>	<u>\$ 710,080</u>	<u>\$ 5,241,931</u>

N/A - Not Applicable

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE 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>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,990,196		\$ 1,990,196	\$ 1,990,196	
<b>Total Revenues</b>	<u>1,990,196</u>		<u>1,990,196</u>	<u>1,990,196</u>	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	1,081,877		1,081,877	1,081,877	
Redemption of Principal	925,000		925,000	925,000	
<b>Total Regular Debt Service</b>	<u>2,006,877</u>		<u>2,006,877</u>	<u>2,006,877</u>	
<b>Total Expenditures</b>	<u>2,006,877</u>		<u>2,006,877</u>	<u>2,006,877</u>	
<b>Excess of Revenues Over Expenditures</b>	(16,681)		(16,681)	(16,681)	
<b>Fund Balance, July 1</b>	<u>21,107</u>		<u>21,107</u>	<u>21,107</u>	
<b>Fund Balance, June 30</b>	<u>\$ 4,426</u>	<u>\$ -0-</u>	<u>\$ 4,426</u>	<u>\$ 4,426</u>	<u>\$ -0-</u>
<u>Recapitulation of Fund Balance at June 30, 2011:</u>					
Restricted Fund Balance for Subsequent Year's Expenditures				<u>\$ 4,426</u>	

**STATISTICAL SECTION**

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

**Contents**

**Exhibit**

**Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

**Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

**Operating Information**

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented Statement 34 in a previous fiscal year. Schedules presenting government-wide information include information beginning in the fiscal year ended June 30, 2005.

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**NET ASSETS BY COMPONENT,**  
**LAST SEVEN FISCAL YEARS**  
*(accrual basis of accounting)*  
**UNAUDITED**

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010*	2011
<b>Governmental Activities:</b>							
Invested in Capital Assets, Net of Related Debt	\$ 8,239,342	\$12,144,807	\$22,430,772	\$21,688,895	\$23,942,595	\$26,719,872	\$27,392,740
Restricted	1,480,236	2,371,210	2,176,188	3,546,865	3,100,957	4,266,055	3,384,970
Unrestricted/(Deficit)	<u>(1,143,291)</u>	<u>160,540</u>	<u>(1,670,262)</u>	<u>(612,147)</u>	<u>16,372</u>	<u>(881,857)</u>	<u>2,356,946</u>
<b>Total governmental activities net assets</b>	<b><u>\$ 8,576,287</u></b>	<b><u>\$14,676,557</u></b>	<b><u>\$22,936,698</u></b>	<b><u>\$24,623,613</u></b>	<b><u>\$27,059,924</u></b>	<b><u>\$30,104,070</u></b>	<b><u>\$33,134,656</u></b>
<b>Business-type Activities:</b>							
Invested in Capital Assets, Net of Related Debt	\$ 25,643	\$ 30,492	\$ 26,115	\$ 19,115	\$ 20,349	\$ 18,546	\$ 18,900
Unrestricted	<u>43,412</u>	<u>73,894</u>	<u>70,987</u>	<u>56,249</u>	<u>72,340</u>	<u>100,161</u>	<u>143,722</u>
<b>Total business-type activities net assets</b>	<b><u>\$ 69,055</u></b>	<b><u>\$ 104,386</u></b>	<b><u>\$ 97,102</u></b>	<b><u>\$ 75,364</u></b>	<b><u>\$ 92,689</u></b>	<b><u>\$ 118,707</u></b>	<b><u>\$ 162,622</u></b>
<b>District-wide:</b>							
Invested in Capital Assets, Net of Related Debt	\$ 8,264,985	\$12,175,299	\$22,456,887	\$21,708,010	\$23,962,944	\$26,738,418	\$27,411,640
Restricted	1,480,236	2,371,210	2,176,188	3,546,865	3,100,957	4,266,055	3,384,970
Unrestricted/(Deficit)	<u>(1,099,879)</u>	<u>234,434</u>	<u>(1,599,275)</u>	<u>(555,898)</u>	<u>88,712</u>	<u>(781,696)</u>	<u>2,500,668</u>
<b>Total District Net Assets</b>	<b><u>\$ 8,645,342</u></b>	<b><u>\$14,780,943</u></b>	<b><u>\$23,033,800</u></b>	<b><u>\$24,698,977</u></b>	<b><u>\$27,152,613</u></b>	<b><u>\$30,222,777</u></b>	<b><u>\$33,297,278</u></b>

\* Restated

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET ASSETS, LAST SEVEN FISCAL YEARS  
*(accrual basis of accounting)*  
UNAUDITED

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010*	2011
<b>Expenses</b>							
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	\$13,511,511	\$14,775,535	\$16,391,932	\$18,049,771	\$17,799,822	\$18,662,942	\$18,522,299
Special Education	2,062,775	2,164,916	2,437,500	2,694,886	2,499,184	2,789,331	3,620,154
Other Special Instruction	53,460	69,177	76,015	1,598	635	2,242	
Other Instruction	1,404,889	1,555,972	1,711,986	1,702,518	1,776,634	1,909,687	2,215,217
<b>Support Services:</b>							
Tuition	1,901,587	2,161,121	2,220,111	2,256,889	2,363,094	2,413,892	2,063,727
Student & Instruction Related Services	5,683,856	5,732,855	6,757,750	6,647,232	6,357,319	6,301,186	6,726,057
General Administrative Services	798,884	800,806	848,572	940,215	891,731	914,052	835,620
School Administrative Services	1,296,537	1,343,221	1,349,464	1,402,397	1,513,852	1,734,721	1,683,322
Central Services	653,763	707,342	751,352	896,910	557,092	621,175	570,202
Administration Information Technology					354,603	359,340	429,278
Plant Operations and Maintenance	3,109,210	3,362,175	3,565,424	4,151,628	3,821,228	3,923,799	3,703,306
Pupil Transportation	1,175,213	1,241,841	1,466,377	1,584,187	1,624,356	1,813,479	1,663,499
Special Schools		2,000	700	1,000			
Interest on Temporary Note				185,865			
Interest on Long-term Debt	1,288,880	1,128,716	1,186,251	1,156,916	1,125,599	1,089,086	1,070,182
Capital Outlay				1,344,570	435,502	89,905	28,109
Unallocated Depreciation						109,616	1,163,238
<b>Total Governmental Activities Expenses</b>	<b>32,940,565</b>	<b>35,045,677</b>	<b>38,763,434</b>	<b>43,016,582</b>	<b>41,120,651</b>	<b>42,734,453</b>	<b>44,294,210</b>
<b>Business-type Activities:</b>							
Food Service	693,713	729,394	807,418	815,718	820,000	861,055	891,012
Region II Transportation	3,990,009	4,360,781	5,185,953	5,614,784	5,958,156	5,891,856	4,439,850
Region II Summer School	31,115	35,962	39,460	39,404	40,334	41,314	29,539
Region II Administration	446,761	459,081	562,834	632,209	470,569	512,514	570,032
Transportation	144,863	160,984	157,134	155,527	162,987	137,333	126,769
<b>Total Business-type Activities Expenses</b>	<b>5,306,461</b>	<b>5,746,202</b>	<b>6,752,799</b>	<b>7,257,642</b>	<b>7,452,046</b>	<b>7,444,072</b>	<b>6,057,202</b>

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN NET ASSETS, LAST SEVEN FISCAL YEARS**  
*(accrual basis of accounting)*  
**UNAUDITED**

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010*	2011
<b>Expenses</b>							
Total District Expenses	\$38,247,026	\$40,791,879	\$45,516,233	\$50,274,224	\$48,572,697	\$50,178,525	\$50,351,412
<b>Program Revenues</b>							
Governmental Activities:							
Charges for Services:							
Instruction (Tuition)	99,000	120,745	124,758	127,005	153,035	121,063	295,888
Operating Grants and Contributions	4,197,773	4,624,636	5,833,456	5,994,221	4,891,308	4,741,047	3,995,540
Capital Grants and Contributions		4,242,310	7,019,793			612,872	816,410
Total Governmental Activities Program Revenues	4,296,773	8,987,691	12,978,007	6,121,226	5,044,343	5,474,982	5,107,838
<b>Program Revenues</b>							
Business-type Activities:							
Charges for Services:							
Food Service	690,886	740,291	796,341	796,298	835,609	887,330	933,755
Region II Transportation	3,990,009	4,360,781	5,185,953	5,614,784	5,958,156	5,891,856	4,435,596
Region II Summer School	31,115	35,962	39,460	39,404	40,334	41,314	29,539
Region II Administration	446,761	459,081	562,834	632,209	470,569	512,514	574,286
Transportation	144,863	160,984	157,134	155,527	163,896	136,424	126,769
Total Business-type Activities Revenues	5,303,634	5,757,099	6,741,722	7,238,222	7,468,564	7,469,438	6,099,945
Total District Program Revenues	9,600,407	14,744,790	19,719,729	13,359,448	12,512,907	12,944,420	11,207,783
<b>Net (Expense)/Revenue</b>							
Governmental Activities	(28,643,792)	(26,057,986)	(25,785,427)	(36,895,356)	(36,076,308)	(37,259,471)	(39,186,372)
Business-type Activities	(2,827)	10,897	(11,077)	(19,420)	16,518	25,366	42,743
Total District-wide Net (Expense)/Revenue	(28,646,619)	(26,047,089)	(25,796,504)	(36,914,776)	(36,059,790)	(37,234,105)	(39,143,629)

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET ASSETS, LAST SEVEN FISCAL YEARS  
*(accrual basis of accounting)*  
UNAUDITED

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010*	2011
<b>General Revenues and Other Changes in Net Assets</b>							
Governmental Activities:							
Property Taxes Levied for General Purposes, Net	\$26,411,388	\$29,443,931	\$31,336,279	\$35,979,512	\$36,442,436	\$37,896,490	\$39,995,215
Taxes Levied for Debt Service	1,058,062	1,508,189	1,793,563	1,896,127	1,988,652	1,993,464	1,990,196
Unrestricted Grants and Contributions	172,107	214,815	284,719	336,793	285,576	161,664	12,938
Investment Earnings	801,779	925,254	499,032	286,672	82,974	51,356	
Miscellaneous Income	52,884	66,067	131,975	83,167	8,707	217,222	218,609
Cancellation of Prior Year Accounts Payable						(16,579)	
Cancellation of SDA Grant Receivable					(295,726)		
<b>Total Governmental Activities</b>	<u>28,496,220</u>	<u>32,158,256</u>	<u>34,045,568</u>	<u>38,582,271</u>	<u>38,512,619</u>	<u>40,303,617</u>	<u>42,216,958</u>
Business-type Activities:							
Investment Earnings	909	2,263	3,793	2,886	807	652	1,172
Contributed Capital Settlement		22,171		(5,204)			
<b>Total Business-type Activities</b>	<u>909</u>	<u>24,434</u>	<u>3,793</u>	<u>(2,318)</u>	<u>807</u>	<u>652</u>	<u>1,172</u>
<b>Total District-wide</b>	<u>28,497,129</u>	<u>32,182,690</u>	<u>34,049,361</u>	<u>38,579,953</u>	<u>38,513,426</u>	<u>40,304,269</u>	<u>42,218,130</u>
<b>Change in Net Assets</b>							
Governmental Activities	(147,572)	6,100,270	8,260,141	1,686,915	2,436,311	3,044,146	3,030,586
Business-type Activities	(1,918)	35,331	(7,284)	(21,738)	17,325	26,018	43,915
<b>Total District</b>	<u>\$ (149,490)</u>	<u>\$ 6,135,601</u>	<u>\$ 8,252,857</u>	<u>\$ 1,665,177</u>	<u>\$ 2,453,636</u>	<u>\$ 3,070,164</u>	<u>\$ 3,074,501</u>

\* Restated

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST SEVEN FISCAL YEARS  
*(modified accrual basis of accounting)*  
UNAUDITED

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010*	2011
General Fund:							
Reserved/Restricted	\$ 1,480,235	\$ 1,744,527	\$ 2,176,188	\$ 3,557,729	\$ 3,539,914	\$ 3,628,582	\$ 1,955,530
Assigned							2,456,715
Unassigned							1,099,326
Unreserved	<u>576,649</u>	<u>1,656,965</u>	<u>705,133</u>	<u>799,948</u>	<u>1,324,433</u>	<u>1,318,773</u>	
Total General Fund	<u>\$ 2,056,884</u>	<u>\$ 3,401,492</u>	<u>\$ 2,881,321</u>	<u>\$ 4,357,677</u>	<u>\$ 4,864,347</u>	<u>\$ 4,947,355</u>	<u>\$ 5,511,571</u>
All Other Governmental Funds:							
Reserved/Restricted:							
Capital Projects Fund						\$ 22,251	\$ 80,401
Committed:							
Capital Projects Fund							1,344,613
Assigned:							
Debt Service Fund							4,426
Unreserved/(Deficit), Reported in:							
Capital Projects Fund					\$ (455,638)	(194,002)	
Debt Service Fund	\$ 1	\$ 1		\$ (10,864)	16,681	21,107	
Designated for Subsequent Year Expenditures	<u>23,897,188</u>	<u>13,239,119</u>	<u>\$ 1,713,691</u>	<u>(124,482)</u>			
Total All Other Governmental Funds	<u>\$23,897,189</u>	<u>\$13,239,120</u>	<u>\$ 1,713,691</u>	<u>\$ (135,346)</u>	<u>\$ (438,957)</u>	<u>\$ (150,644)</u>	<u>\$ 1,429,440</u>
Total Governmental Funds:							
Reserved/Restricted	\$ 1,480,235	\$ 1,744,527	\$ 2,176,188	\$ 3,557,729	\$ 3,539,914	\$ 3,650,833	\$ 2,035,931
Committed							1,344,613
Assigned							2,461,141
Unassigned							1,099,326
Unreserved	<u>24,473,838</u>	<u>14,896,085</u>	<u>2,418,824</u>	<u>664,602</u>	<u>885,476</u>	<u>1,145,878</u>	
Total Governmental Funds	<u>\$25,954,073</u>	<u>\$16,640,612</u>	<u>\$ 4,595,012</u>	<u>\$ 4,222,331</u>	<u>\$ 4,425,390</u>	<u>\$ 4,796,711</u>	<u>\$ 6,941,011</u>

\* Restated

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST SEVEN FISCAL YEARS  
*(modified accrual basis of accounting)*  
UNAUDITED

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>							
Tax Levy	\$27,469,450	\$30,952,120	\$ 33,129,842	\$37,875,639	\$38,431,088	\$39,889,954	\$41,985,411
Tuition Charges	99,000	120,745	124,758	127,005	153,035	121,063	295,888
Interest Earnings	801,779	925,254	499,032	286,672	82,974	51,356	
Miscellaneous	74,704	68,067	132,675	83,167	8,707	217,222	218,609
State Sources	3,969,504	8,682,477	12,688,460	6,112,809	4,655,441	4,880,911	3,752,696
Federal Sources	378,556	397,284	448,808	218,205	521,443	634,672	1,072,192
<b>Total Revenues</b>	<b>32,792,993</b>	<b>41,145,947</b>	<b>47,023,575</b>	<b>44,703,497</b>	<b>43,852,688</b>	<b>45,795,178</b>	<b>47,324,796</b>
<b>Expenditures</b>							
<b>Instruction:</b>							
Regular Instruction	10,505,969	11,163,903	12,035,297	12,654,804	13,637,196	14,019,761	14,416,575
Special Education Instruction	1,552,181	1,547,319	1,700,183	1,768,953	1,838,882	2,003,618	2,869,948
Other Special Instruction	41,074	51,372	53,681	538	635		
Other Instruction	1,126,492	1,204,245	1,291,449	1,432,055	1,521,626	1,616,780	1,769,748
<b>Support Services:</b>							
Tuition	1,901,587	2,161,121	2,220,111	2,256,889	2,363,094	2,413,892	2,063,727
Student & Instruction Related Services	4,444,416	4,468,787	5,229,548	5,351,314	5,287,961	5,291,708	5,168,587
General Administrative Services	699,549	733,976	779,875	858,592	817,930	790,919	762,557
School Administrative Services	956,807	974,312	959,707	960,537	1,122,454	1,386,710	1,250,659
Central Services	510,273	575,863	652,992	771,051	476,297	498,832	478,820
Administration Information Technology					311,877	311,222	242,994
Plant Operations and Maintenance	2,400,452	2,831,335	2,928,055	3,378,853	3,367,788	3,439,687	3,472,257
Pupil Transportation	1,161,654	1,229,531	1,454,079	1,569,477	1,610,284	1,790,889	1,643,627
Unallocated Benefits	5,666,156	6,350,079	7,341,994	8,414,117	6,522,364	7,181,805	8,013,696

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST SEVEN FISCAL YEARS**  
*(modified accrual basis of accounting)*  
**UNAUDITED**

	Fiscal Year Ending June 30,						
	2005	2006	2007	2008	2009	2010	2011
<b>Expenditures</b>							
Special Schools		\$ 2,000	\$ 700	\$ 1,000			
Capital Outlay	\$ 6,717,315	16,755,916	20,627,940	4,963,255	\$ 2,486,863	\$ 3,016,187	\$ 5,957,007
Debt Service:							
Principal		300,000	600,000	725,000	845,000	880,000	925,000
Interest and Other Charges	1,058,061	1,208,189	1,193,564	1,356,991	1,143,652	1,113,464	1,081,877
<b>Total Expenditures</b>	<b>38,743,991</b>	<b>51,559,954</b>	<b>59,071,182</b>	<b>46,465,434</b>	<b>43,355,912</b>	<b>45,757,484</b>	<b>50,117,079</b>
<b>Excess (Deficiency) of Revenues</b>							
Over (Under) Expenditures	(5,950,998)	(10,414,007)	(12,047,607)	(1,761,937)	496,776	37,694	(2,792,283)
<b>Other Financing Sources (Uses)</b>							
Cancellation of SDA Grant Receivable					(295,726)		
Cancellation of Accounts Payable						(16,579)	
Capital Leases		1,098,540		1,387,248		348,196	4,936,583
Transfers In	893,454	834,678	355,120	175,000	27,545	1,462,626	1,701,088
Transfers Out	(893,454)	(834,678)	(355,120)	(175,000)	(27,545)	(1,462,626)	(1,701,088)
<b>Total Other Financing Sources (Uses)</b>	<b>-0-</b>	<b>1,098,540</b>	<b>-0-</b>	<b>1,387,248</b>	<b>(295,726)</b>	<b>331,617</b>	<b>4,936,583</b>
<b>Net Change in Fund Balances</b>	<b>\$ (5,950,998)</b>	<b>\$ (9,315,467)</b>	<b>\$ (12,047,607)</b>	<b>\$ (374,689)</b>	<b>\$ 201,050</b>	<b>\$ 369,311</b>	<b>\$ 2,144,300</b>
<b>Debt Service as a Percentage of</b>							
Noncapital Expenditures	3.42%	4.54%	5.40%	6.27%	5.99%	6.00%	6.04%

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
UNAUDITED

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals - Use</u> <u>of Facilities</u>	<u>Other</u>	<u>Total</u>
2002	\$ 54,084	\$ 254,872	\$ 29,125	\$ 68,585	\$ 406,666
2003	13,890	110,254	4,338	118,426	246,908
2004	10,975	124,373	7,743	65,059	208,150
2005	42,214	99,000	750	52,134	194,098
2006	90,576	120,745	1,612	66,455	279,388
2007	143,912	124,758	4,734	127,941	401,345
2008	111,672	127,005	4,650	78,517	321,844
2009	66,293	153,035	4,200	4,507	228,035
2010	51,356	121,063	8,546	204,250	385,215
2011	52,344	295,888	6,632	155,400	510,264

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST SEVEN YEARS  
UNAUDITED**

**BOROUGH OF HILLSDALE**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2004	\$ 8,093,900	\$ 772,777,000	\$ 396,200	\$ 13,000	\$ 50,196,800	\$ 7,643,500	\$ 950,100	\$ 840,070,500	\$ 73,055,800	\$ 4,101,030	\$ 844,171,530	\$ 0.76	\$ 1,378,616,214
2005	7,840,800	776,463,400	396,200	12,400	50,529,000	7,490,000	950,100	843,681,900	73,055,800	3,716,487	847,398,387	0.88	1,536,045,340
2006	6,441,900	779,488,300	396,200	12,400	51,600,900	7,535,000	950,100	846,424,800	73,983,700	3,110,147	849,534,947	0.92	1,749,040,149
2007	* 12,213,500	1,819,107,700	1,865,800	13,100	108,183,300	14,315,500	1,995,300	1,957,694,200	151,132,300	6,745,700	1,964,439,900	0.46	1,955,372,182
2008	12,449,200	1,818,907,400	745,000	13,100	107,676,500	14,315,500	1,995,300	1,956,102,000	151,688,000	7,462,332	1,963,564,332	0.45	1,984,787,186
2009	12,081,100	1,821,722,900	745,000	13,100	109,531,700	14,315,500	1,995,300	1,960,404,600	152,331,200	7,084,084	1,967,488,684	0.46	2,058,164,361
2010	16,589,400	1,816,609,300	745,000	13,100	109,531,700	14,315,500	1,995,300	1,959,799,300	152,871,600	8,382,930	1,968,182,230	0.51	2,058,164,361

**BOROUGH OF MONTVALE**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2004	\$ 13,113,200	\$ 687,410,000	\$ 832,300	\$ 55,800	\$ 380,038,300	\$ 8,217,600	\$ 7,000,000	\$ 1,096,667,200	\$ 72,210,500	\$ 1,848,336	\$ 1,098,515,536	\$ 0.62	\$ 1,591,347,569
2005	11,640,900	699,500,500	832,300	55,800	367,170,700	7,749,600	7,000,000	1,093,949,800	72,437,700	1,620,457	1,095,570,257	0.66	1,738,970,853
2006	* 32,617,600	1,605,160,800	2,246,000	50,100	594,743,900	13,075,000	14,553,000	2,262,446,400	110,482,100	2,491,607	2,264,938,007	0.35	1,941,870,285
2007	66,723,300	1,613,870,800	2,246,000	37,600	589,973,300	13,075,000	14,553,000	2,300,479,000	110,482,100	2,561,681	2,303,040,681	0.38	2,097,531,237
2008	51,808,600	1,641,992,200	2,246,000	37,600	603,707,200	13,075,000	18,753,000	2,331,619,600	110,077,700	2,959,566	2,334,579,166	0.41	2,164,252,522
2009	35,927,700	1,684,771,100	2,246,000	37,600	599,708,200	13,075,000	18,753,000	2,354,518,600	110,100,700	2,814,962	2,357,333,562	0.42	2,271,988,152
2010	30,721,300	1,699,843,800	2,246,000	37,600	589,788,400	13,075,000	18,753,000	2,354,465,100	110,026,100	3,948,799	2,358,413,899	0.44	2,271,988,152

**TOWNSHIP OF RIVER VALE**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2004	\$ 17,591,750	\$ 918,378,267	\$ 714,000	\$ -0-	\$ 48,799,150	\$ -0-	\$ 4,834,400	\$ 990,317,567	\$ 29,631,200	\$ 766,890	\$ 991,084,457	\$ 0.77	\$ 1,551,895,108
2005	17,305,250	925,278,767	714,000	-0-	49,623,550	-0-	4,834,400	997,755,967	29,446,300	636,295	998,392,262	0.85	1,735,320,678
2006	16,638,050	930,721,467	714,000	-0-	49,179,450	-0-	4,834,400	1,002,087,367	30,339,000	578,531	1,002,665,898	0.90	1,944,685,768
2007	14,660,850	937,134,067	714,000	-0-	44,232,950	-0-	5,219,700	1,001,961,567	36,750,300	487,641	1,002,449,208	0.97	2,144,817,497
2008	* 27,018,600	1,958,207,600	1,791,500	-0-	103,944,500	-0-	13,034,700	2,103,996,900	91,265,600	1,409,778	2,105,406,678	0.47	2,357,792,210
2009	30,596,900	1,956,094,500	1,791,500	-0-	101,944,500	-0-	13,034,700	2,103,462,100	92,009,600	1,512,178	2,104,974,278	0.47	2,230,833,059
2010	30,632,200	1,963,018,600	1,791,500	-0-	104,445,700	-0-	13,034,700	2,112,922,700	92,396,700	220,618	2,113,143,318	0.47	2,230,833,059

**BOROUGH OF WOODCLIFF LAKE**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2004	\$ 14,854,500	\$ 1,143,394,400	\$ 1,367,100	\$ 18,600	\$ 383,156,800	\$ -0-	\$ -0-	\$ 1,542,791,400	\$ 57,228,300	\$ 1,939,987	\$ 1,544,731,387	\$ 0.40	\$ 1,488,575,688
2005	13,457,100	1,157,148,000	1,367,100	18,600	378,733,100	-0-	-0-	1,550,723,900	57,228,300	1,794,624	1,552,518,524	0.46	1,639,917,476
2006	25,990,100	1,168,132,200	1,367,100	18,600	359,444,500	-0-	-0-	1,554,952,500	57,086,800	1,794,624	1,556,747,124	0.50	1,788,286,520
2007	20,990,400	1,205,649,800	930,800	5,600	374,512,000	-0-	-0-	1,602,088,600	57,086,800	1,357,095	1,603,445,695	0.55	2,170,444,682
2008	16,806,600	1,218,110,700	930,800	6,400	415,187,600	-0-	-0-	1,651,042,100	58,224,900	1,584,879	1,652,626,979	0.60	2,245,069,011
2009	16,008,200	1,226,381,100	930,800	6,400	460,623,700	-0-	-0-	1,703,950,200	55,563,000	1,648,608	1,705,598,808	0.61	2,269,801,638
2010	16,806,600	1,218,110,700	930,800	6,400	415,187,600	-0-	-0-	1,651,042,100	58,224,900	1,584,879	1,652,626,979	0.65	2,245,069,011

<sup>a</sup> - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

<sup>b</sup> - Tax rates are per \$100.

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when ordered by the County Board of Taxation.

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

\* Year in which revaluation became effective.

Source: Municipal Tax Assessors.

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
*(rate per \$100 of assessed value)*  
**UNAUDITED**

**BOROUGH OF HILLSDALE**

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Hillsdale	Borough of Hillsdale Public Schools	Bergen County	
2001	\$ 0.62		\$ 0.62	\$ 0.52	\$ 1.29	\$ 0.30	\$ 2.73
2002	0.63		0.63	0.53	1.38	0.33	2.87
2003	0.65		0.65	0.55	1.50	0.32	3.02
2004	0.76		0.76	0.57	1.59	0.34	3.26
2005	0.85	\$ 0.03	0.88	0.67	1.63	0.34	3.52
2006	0.88	0.04	0.92	0.75	1.74	0.39	3.80
2007	* 0.43	0.02	0.46	0.35	0.79	0.18	1.78
2008	0.43	0.02	0.45	0.39	0.83	0.18	1.85
2009	0.44	0.02	0.46	0.40	0.86	0.20	1.93
2010	0.49	0.02	0.51	0.42	0.91	0.20	2.04

**BOROUGH OF MONTVALE**

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Montvale	Borough of Montvale Public Schools	Bergen County	
2001	\$ 0.55		\$ 0.55	\$ 0.58	\$ 0.82	\$ 0.30	\$ 2.25
2002	0.57		0.57	0.63	0.91	0.32	2.43
2003	0.60		0.60	0.65	0.95	0.29	2.49
2004	0.62		0.62	0.69	0.98	0.30	2.59
2005	0.63	\$ 0.03	0.66	0.74	1.04	0.30	2.74
2006	* 0.33	0.02	0.35	0.36	0.53	0.15	1.40
2007	0.36	0.02	0.38	0.38	0.53	0.16	1.45
2008	0.39	0.02	0.41	0.39	0.55	0.16	1.51
2009	0.40	0.02	0.42	0.41	0.56	0.18	1.57
2010	0.42	0.02	0.44	0.43	0.57	0.18	1.63

a - The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b - Rates for debt service are based on each year's requirements.

\* - Property revaluation became effective in this year.

\* Property revaluation became effective in this year.

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

*(rate per \$100 of assessed value)*

UNAUDITED

TOWNSHIP OF RIVER VALE

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Township of River Vale	Township of River Vale Public Schools	Bergen County	
2001	\$ 0.57		\$ 0.57	\$ 0.54	\$ 1.30	\$ 0.28	\$ 2.69
2002	0.67		0.67	0.55	1.40	0.30	2.92
2003	0.67		0.67	0.55	1.40	0.30	2.92
2004	0.77		0.77	0.60	1.47	0.32	3.16
2005	0.82	\$ 0.03	0.85	0.66	1.52	0.33	3.36
2006	0.86	0.04	0.90	0.71	1.59	0.34	3.55
2007	0.92	0.05	0.97	0.78	1.71	0.39	3.85
2008	* 0.45	0.02	0.47	0.39	0.83	0.20	1.89
2009	0.45	0.02	0.47	0.41	0.86	0.20	1.95
2010	0.45	0.02	0.47	0.43	0.90	0.20	2.00

BOROUGH OF WOODCLIFF LAKE

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Woodcliff Lake	Borough of Woodcliff Lake Public Schools	Bergen County	
2001	\$ 0.49		\$ 0.49	\$ 0.60	\$ 0.95	\$ 0.31	\$ 2.35
2002	0.52		0.52	0.58	0.98	0.32	2.40
2003	* 0.34		0.34	0.35	0.61	0.18	1.48
2004	0.40		0.40	0.38	0.63	0.20	1.61
2005	0.44	\$ 0.02	0.46	0.42	0.67	0.20	1.75
2006	0.48	0.02	0.50	0.43	0.73	0.21	1.87
2007	0.52	0.03	0.55	0.44	0.74	0.24	1.97
2008	0.57	0.03	0.60	0.44	0.75	0.24	2.05
2009	0.58	0.03	0.61	0.45	0.75	0.26	2.08
2010	0.62	0.03	0.65	0.47	0.77	0.27	2.18

a - The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b - Rates for debt service are based on each year's requirements.

\* - Property revaluation became effective in this year.

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Source: Municipal Tax Collectors and School Business Administrator.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

BOROUGH OF HILLSDALE

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Prima II LLC	\$ 10,677,700	1	0.55%			
Crossroads- Hillsdale Association	9,166,100	2	0.47%			
New Jersey Bell	8,579,677	3	0.44%	4,933,472	1	0.60%
Edgewood Country Club, Inc.	3,880,800	4	0.20%	1,239,400	8	0.15%
New Jersey Bell	3,365,700	5	0.17%	2,214,100	5	0.27%
Golden Orchard Assoc., LP	3,332,000	6	0.17%			
321 Broadway Assoc., LLC	3,170,100	7	0.16%			
Marsala Enterprises	2,710,100	8	0.14%	1,158,100	10	0.14%
Bank of America	2,547,400	9	0.13%			
USA Waste c/o Waste Management	2,278,400	10	0.12%	3,732,500	4	0.45%
Cuzson Assoc.				4,414,300	3	0.53%
G.P.B Real Estate				4,631,100	2	0.56%
R & L Investors				1,580,000	6	0.19%
Fleet Bank c/o CBRE				1,242,200	7	0.15%
Hiller & Skoglund				1,192,700	9	0.14%
<b>Total</b>	<b>\$ 49,707,977</b>		<b>2.55%</b>	<b>\$ 26,337,872</b>		<b>3.18%</b>

BOROUGH OF MONTVALE

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
KPMG Peat Marwick	\$ 50,000,000	1	2.10%	\$ 33,600,000	1	3.11%
Mercedes Benz	37,500,000	2	1.58%	19,583,300	3	1.81%
Two Paragon Associates	29,900,000	3	1.26%	21,531,000	2	1.99%
Prim Montvale LLC	29,000,000	4	1.22%			
CBRE	28,050,000	5	1.18%			
Grand Prix Montvale	23,000,000	6	0.97%			
Benjamin Moore	19,000,000	7	0.80%			
Alson Realty Co. LP	18,753,000	8	0.79%			
Western Union Financial c/o First Data	18,000,000	9	0.76%			
Reckitt & Colman, Inc	15,650,000	10	0.66%			
Axinn (7 Paragon)				16,500,000	4	1.53%
Toys R US				16,500,000	5	1.53%
VV New Jersey				14,940,600	6	1.38%
LCOR, Inc.				13,126,500	7	1.21%
One Paragon Drive Associates				11,500,000	8	1.06%
Mercedes Benz				10,831,200	9	1.00%
MSGW Paragon				10,500,000	10	0.97%
<b>Total</b>	<b>\$ 268,853,000</b>		<b>11.32%</b>	<b>\$ 168,612,600</b>		<b>15.59%</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

TOWNSHIP OF RIVER VALE

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Edgewood Country Club, Inc.	\$ 25,235,400	1	1.21%	\$ 9,794,900	3	1.03%
United Water Company of New Jersey	12,018,100	2	0.58%	18,412,250	1	1.94%
Gal-Ben Associates	7,672,000	3	0.37%	2,544,500	8	0.27%
Village on the Green	7,266,400	4	0.35%	2,627,500	7	0.28%
Florentine Gardens	5,187,100	5	0.24%			
River Vale Dev LLC	5,000,000	6	0.24%			
Lindvale Gardens	4,875,400	7	0.23%	2,478,000	9	0.26%
688 Westwood Ave LLC c/o V Luppino	4,095,000	8	0.20%			
MWD River Vale One, LLC	3,222,800	9	0.15%			
Rudd - O'Connor LLC	2,514,600	10	0.12%			
FBD Enterprises USA Inc				11,756,900	2	1.24%
United Properties				6,253,400	4	0.66%
United Water Company				3,372,600	5	0.36%
Pascack Valley Hospital				2,738,600	6	0.29%
Caitlin Construction Co, LLC				1,535,800	10	0.16%
<b>Total</b>	<b>\$ 77,086,800</b>		<b>3.67%</b>	<b>\$ 61,514,450</b>		<b>6.49%</b>

BOROUGH OF WOODCLIFF LAKE

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
BMW of North America	\$ 167,565,500	1	9.34%	\$ 26,500,000	3	2.95%
300 Tice Reality Assoc LLC - Mack-Cali	37,400,000	2	2.20%	29,600,000	1	3.29%
Mack- Cali- Chestnut Ridge Associates	37,000,000	3	2.17%	26,500,000	4	2.95%
Deloitte & Touche LLP C/O M Poer & Co.	36,617,200	4	2.15%	25,000,000	5	2.78%
WS Tice's Corner Market Place	30,700,400	5	1.80%			
Advance @ W.C.L., LLC	28,217,200	6	1.66%			
Ridge Associates	16,820,000	7	0.99%	9,500,000	10	1.06%
The Great A&P	13,825,000	8	0.81%	10,000,000	9	1.11%
IPC NY Properties, LLC	11,000,000	9	0.65%	12,000,000	7	1.34%
400 Chestnut Reality- Mack Cali	10,800,000	10	0.63%			
Ingersoll Rand				26,850,000	2	2.99%
Heller-Woodcliff Lake				20,200,000	6	2.25%
Mack Properties				11,440,000	8	1.27%
<b>Total</b>	<b>\$ 389,945,300</b>		<b>22.39%</b>	<b>\$ 197,590,000</b>		<b>21.99%</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

BOROUGH OF HILLSDALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 5,139,148	\$ 5,139,148	100.00%	-0-
2003	5,273,152	5,273,152	100.00%	-0-
2004	5,468,546	5,468,546	100.00%	-0-
2005	6,449,508	6,449,508	100.00%	-0-
2006	7,460,322	7,460,322	100.00%	-0-
2007	7,828,423	7,828,423	100.00%	-0-
2008	8,931,912	8,931,912	100.00%	-0-
2009	8,895,807	8,895,807	100.00%	-0-
2010	9,133,015	9,133,015	100.00%	-0-
2011	10,001,587	10,001,587	100.00%	-0-

BOROUGH OF MONTVALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 6,050,715	\$ 6,050,715	100.00%	-0-
2003	6,470,660	6,470,660	100.00%	-0-
2004	6,543,748	6,543,748	100.00%	-0-
2005	6,907,546	6,907,546	100.00%	-0-
2006	7,534,066	7,534,066	100.00%	-0-
2007	8,285,027	8,285,027	100.00%	-0-
2008	9,909,433	9,909,433	100.00%	-0-
2009	9,571,945	9,571,945	100.00%	-0-
2010	10,335,456	10,335,456	100.00%	-0-
2011	10,437,043	10,437,043	100.00%	-0-

**a** - School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

TOWNSHIP OF RIVER VALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 5,426,401	\$ 5,426,401	100.00%	-0-
2003	5,803,984	5,803,984	100.00%	-0-
2004	6,616,496	6,616,496	100.00%	-0-
2005	7,604,849	7,604,849	100.00%	-0-
2006	8,459,185	8,459,185	100.00%	-0-
2007	9,065,118	9,065,118	100.00%	-0-
2008	9,413,686	9,413,686	100.00%	-0-
2009	9,766,440	9,766,440	100.00%	-0-
2010	9,933,482	9,933,482	100.00%	-0-
2011	9,930,100	9,930,100	100.00%	-0-

BOROUGH OF WOODCLIFF LAKE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 4,580,599	\$ 4,580,599	100.00%	-0-
2003	5,032,606	5,032,606	100.00%	-0-
2004	5,501,356	5,501,356	100.00%	-0-
2005	6,507,547	6,507,547	100.00%	-0-
2006	7,498,547	7,498,547	100.00%	-0-
2007	7,951,274	7,951,274	100.00%	-0-
2008	9,620,607	9,620,607	100.00%	-0-
2009	10,196,896	10,196,896	100.00%	-0-
2010	10,488,001	10,488,001	100.00%	-0-
2011	11,616,681	11,616,681	100.00%	-0-

<sup>a</sup> - School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Source: Pascack Valley Regional High School District records, including the Certificate and Report of Report of School Taxes (A4F form).

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST SEVEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2005	\$ 30,723,000	\$ -0-	\$ 323,067	\$ -0-	\$ -0-	\$31,046,067	1.69%	\$ 954.09
2006	30,423,000	-0-	1,325,119	-0-	-0-	31,748,119	1.60%	979.37
2007	29,823,000	-0-	1,021,550	-0-	-0-	30,844,550	1.44%	947.52
2008	25,464,609	-0-	1,908,391	2,251,000	-0-	29,624,000	1.31%	901.27
2009	28,253,000	-0-	1,349,428	-0-	-0-	29,602,428	1.39%	895.79
2010	27,373,000	-0-	1,015,428	-0-	-0-	28,388,428	1.33%	859.06
2011	26,448,000	-0-	5,241,931	-0-	-0-	31,689,931	1.49%	958.96

<sup>a</sup> - See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Note: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST SEVEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2005	\$ 30,723,000	\$ -0-	\$ 30,723,000	0.684%	\$ 944.16
2006	30,423,000	-0-	30,423,000	0.536%	938.49
2007	29,823,000	-0-	29,823,000	0.434%	916.14
2008	25,464,609	-0-	25,464,609	0.316%	774.73
2009	28,253,000	-0-	28,253,000	0.347%	854.96
2010	27,373,000	-0-	27,373,000	0.338%	828.33
2011	26,448,000	-0-	26,448,000	0.327%	800.34

**a** - See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

**b** - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Note: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: School District Financial Reports.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2011  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes:</b>			
Borough of Hillsdale	\$ 5,276,025	100.00%	\$ 5,276,025
Borough of Montvale	24,864,105	100.00%	24,864,105
Township of River Vale	15,958,978	100.00%	15,958,978
Borough of Woodcliff Lake	24,276,250	100.00%	24,276,250
Bergen County General Obligation Debt	730,825,490	4.79%	<u>35,006,541</u>
Subtotal, Overlapping Debt			105,381,899
Pascack Valley Regional High School District Direct Debt			<u>27,373,000</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 132,754,899</u></u>

a - For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of another governmental unit's equalized property value that is within the district's boundaries and dividing it by each unit's total equalized property value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses of Hillsdale, Montvale, River Vale and Woodcliff Lake. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

Sources: Assessed value data used to estimate applicable percentages provided by the Bergen County Board of Taxation; debt outstanding data provided by each governmental unit.

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Legal Debt Margin Calculation for Fiscal Year 2011**

Year Ended December 31,	Borough of Hillsdale	Borough of Montvale	Township of River Vale	Borough of Woodcliff Lake	Total Equalized Valuation Basis
2008	\$2,042,073,285	\$2,238,068,343	\$2,226,216,168	\$2,194,659,179	\$ 8,701,016,975
2009	2,026,886,476	2,215,600,452	2,165,838,241	2,329,710,418	8,738,035,587
2010	1,941,548,742	2,270,677,114	2,100,210,107	2,190,570,679	8,503,006,642
	<u>\$6,010,508,503</u>	<u>\$6,724,345,909</u>	<u>\$6,492,264,516</u>	<u>\$6,714,940,276</u>	<u>\$25,942,059,204</u>
	Average Equalized Valuation of Taxable Property				<u>\$ 8,647,353,068</u>
	Debt Limit (3% of Average Equalization Value)				259,420,592 *
	Net Bonded School Debt				<u>26,448,000</u>
	Legal Debt Margin				<u>\$ 232,972,592</u>

	Fiscal Year				
	2002	2003	2004	2005	2006
Debt Limit	\$ 137,717,586	\$ 149,833,322	\$ 163,591,899	\$ 179,592,020	\$ 199,147,970
Total Net Debt Applicable to Limit			30,723,000	30,723,000	30,423,000
Legal Debt Margin	<u>\$ 137,717,586</u>	<u>\$ 149,833,322</u>	<u>\$ 132,868,899</u>	<u>\$ 148,869,020</u>	<u>\$ 168,724,970</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	18.78%	18.78%	15.28%

	Fiscal Year				
	2007	2008	2009	2010	2011
Debt Limit	\$ 221,901,137	\$ 240,998,907	\$ 254,361,354	\$ 260,150,923	\$ 259,420,592
Total Net Debt Applicable to Limit	29,823,000	29,098,000	28,253,000	27,373,000	26,448,000
Legal Debt Margin	<u>\$ 192,078,137</u>	<u>\$ 211,900,907</u>	<u>\$ 226,108,354</u>	<u>\$ 232,777,923</u>	<u>\$ 232,972,592</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.44%	12.07%	11.11%	10.52%	10.20%

\* - Limit set by NJSA 18A:24-19 for a 9 through 12 district; other % limits would be applicable for other districts.

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

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

BOROUGH OF HILLSDALE

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2002	10,039	\$ 521,335,309	\$ 51,931	4.60%
2003	10,006	513,217,746	51,291	4.50%
2004	10,002	546,799,338	54,669	3.70%
2005	9,928	565,528,664	56,963	2.60%
2006	9,848	620,630,808	63,021	2.70%
2007	9,812	658,512,756	67,113	2.40%
2008	9,812	672,524,292	68,541	3.20%
2009	9,814	631,903,832	64,388	5.80%
2010	9,814 **	631,903,832	64,388 *	5.90%
2011	9,814 **	631,903,832	64,388 *	N/A

BOROUGH OF MONTVALE

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2002	7,228	\$ 375,357,268	\$ 51,931	3.70%
2003	7,220	370,321,020	51,291	3.70%
2004	7,220	394,710,180	54,669	3.00%
2005	7,186	409,336,118	56,963	2.60%
2006	7,154	450,852,234	63,021	2.80%
2007	7,259	487,173,267	67,113	2.50%
2008	7,523	515,633,943	68,541	3.20%
2009	7,636	491,666,768	64,388	5.80%
2010	7,636 **	491,666,768	64,388 *	6.00%
2011	7,636 **	491,666,768	64,388 *	N/A

\* - Latest Bergen County per capita personal income available (2009) was used for calculation purposes.

\*\* - Latest population data available (2009) was used for calculation purposes.

N/A- Not Available

Source:

a - Population information provided by the US Department of Census - Population Division.

b - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

c - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

d - Unemployment data provided by the NJ Department of Labor and Workforce Development.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

TOWNSHIP OF RIVER VALE

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2002	9,692	\$ 503,315,252	\$ 51,931	4.20%
2003	9,681	496,548,171	51,291	4.10%
2004	9,691	529,797,279	54,669	3.40%
2005	9,619	547,927,097	56,963	2.10%
2006	9,561	602,543,781	63,021	2.30%
2007	9,580	642,942,540	67,113	2.00%
2008	9,593	657,513,813	68,541	2.70%
2009	9,655	621,666,140	64,388	4.80%
2010	9,655 **	621,666,140	64,388 *	4.90%
2011	9,655 **	621,666,140	64,388 *	N/A

BOROUGH OF WOODCLIFF LAKE

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2002	5,812	\$ 301,822,972	\$ 51,931	1.70%
2003	5,809	297,949,419	51,291	1.70%
2004	5,818	318,064,242	54,669	1.30%
2005	5,807	330,784,141	56,963	1.40%
2006	5,854	368,924,934	63,021	1.50%
2007	5,902	396,100,926	67,113	1.30%
2008	5,941	407,202,081	68,541	1.80%
2009	5,941	382,529,108	64,388	3.20%
2010	5,941 **	382,529,108	64,388 *	3.30%
2011	5,941 **	382,529,108	64,388 *	N/A

\* - Latest Bergen County per capita personal income available (2009) was used for calculation purposes.

\*\* - Latest population data available (2009) was used for calculation purposes.

N/A- Not Available

Source:

a - Population information provided by the US Department of Census - Population Division.

b - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

c - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

d - Unemployment data provided by the NJ Department of Labor and Workforce Development.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

BOROUGH OF HILLSDALE

Employer	2010			2001		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Prima II LLC	N/A	1	0.00%	N/A	N/A	0.00%
Crossroads-Hillsdale Association	N/A	2	0.00%	N/A	N/A	0.00%
New Jersey Bell	N/A	3	0.00%	N/A	N/A	0.00%
USA Waste c/o Waste Management	N/A	4	0.00%	N/A	2	0.00%
Edgewood Country Club	30	5	0.58%	N/A	3	0.00%
Jack Ely R.E. LLC	N/A	6	0.00%	N/A	N/A	0.00%
New Jersey Bell	N/A	7	0.00%	N/A	6	0.00%
Golden Orchard Assoc., LP	N/A	8	0.00%	N/A	N/A	0.00%
321 Broadway Assoc., LLC.	N/A	9	0.00%	N/A	4	0.00%
Marsala Enterprises	7	10	0.00%	N/A	5	0.00%
	<u>37</u>		<u>0.58%</u>			<u>0.00%</u>

BOROUGH OF MONTVALE

Employer	2010			2001		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
KPMG Peat Marwick	N/A	1	0.00%	N/A	N/A	0.00%
Two Paragon Associates	N/A	2	0.00%	N/A	N/A	0.00%
Prim Montvale LLC	N/A	3	0.00%	N/A	N/A	0.00%
Mercedes Benz	N/A	4	0.00%	N/A	N/A	0.00%
VV New Jersey	N/A	5	0.00%	N/A	N/A	0.00%
Benjamin Moore	322	6	8.74%	N/A	N/A	0.00%
Innkeeper USA Limited	N/A	7	0.00%	N/A	N/A	0.00%
Western Union Financial c/o First Data	N/A	8	0.00%	N/A	N/A	0.00%
One Paragon Drive Associates, LP	N/A	9	0.00%	N/A	N/A	0.00%
Alexander Summer, LLC	N/A	10	0.00%	N/A	N/A	0.00%
	<u>322</u>		<u>8.74%</u>			<u>0.00%</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

TOWNSHIP OF RIVER VALE

Employer	2010			2001		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
River Vale Development Partners, LLC	1	1	0.00%	N/A	N/A	0.00%
Edgewood Country Club, Inc.	30	2	0.67%	N/A	N/A	0.00%
United Water Company of New Jersey	172	3	3.84%	N/A	N/A	0.00%
United Water Company of New Jersey	N/A	4	0.00%	N/A	N/A	0.00%
Gal-Ben Associates	1	5	0.00%	N/A	N/A	0.00%
Village on the Green	1	6	0.00%	N/A	N/A	0.00%
Florentine, Inc.	N/A	7	0.00%	N/A	N/A	0.00%
River Vale Developers LLC	N/A	8	0.00%	N/A	N/A	0.00%
River Vale Developers LLC	60	9	1.34%	N/A	N/A	0.00%
Lindvale Gardens	N/A	10	0.00%	N/A	N/A	0.00%
	<u>265</u>		<u>5.85%</u>			<u>0.00%</u>

BOROUGH OF WOODCLIFF LAKE

Employer	2010			2001		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
BMW of North America	1,050	1	38.62%	N/A	N/A	0.00%
Mack-Cali Chestnut Ridge	390	2	14.34%	N/A	N/A	0.00%
Deloitte & Touche LLPC/O M Poer & Co	N/A	3	0.00%	N/A	N/A	0.00%
300 Tice Realty Assoc LLC - Mack-Cali	N/A	4	0.00%	N/A	N/A	0.00%
WS Tice's Corner Market Place	5	5	0.18%	N/A	N/A	0.00%
Advance @ W.C.L., LLC	N/A	6	0.00%	N/A	N/A	0.00%
IPC NY Properties, LLC	183	7	6.73%	N/A	N/A	0.00%
The Great A&P	N/A	8	0.00%	N/A	N/A	0.00%
Ridge Associates 11 C/O Chemtura Corp.	N/A	9	0.00%	N/A	N/A	0.00%
400 Chestnut Realty - Mac Cali	N/A	10	0.00%	N/A	N/A	0.00%
	<u>1,628</u>		<u>59.87%</u>			<u>0.00%</u>

Source: Various Agencies of the Municipalities.

N/A - Not Available

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST SEVEN FISCAL YEARS**  
**UNAUDITED**

<b><u>Function/Program</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
<b>Instruction:</b>							
Regular	122	125	128	128	129	130	136
Special Education	21	22	23	23	24	25	23
Other Special Instruction	16	18	19	19	19	19	17
Vocational							
Other Instruction	16	16	16	16	16	16	0
<b>Support Services:</b>							
Student & Instruction Related Services	37	37	37	37	37	37	45
General Administrative Services	7	7	7	7	7	7	4
School Administrative Services	11	11	11	11	11	11	13
Plant Operations and Maintenance	27	27	7	7	7	7	30
Pupil Transportation	1	1	27	27	27	27	1
Business and Other Support Services	7	7	1	1	1	1	13
<b>Total</b>	<b><u>265</u></b>	<b><u>271</u></b>	<b><u>276</u></b>	<b><u>276</u></b>	<b><u>278</u></b>	<b><u>280</u></b>	<b><u>282</u></b>

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: District Personnel Records.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST SEVEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Pascack Hills High School	Pascack Valley High School				
2005	1,789	\$ 30,966,610	\$ 17,309	3.56%	141	1:9	1:10	1,690.5	1,596.5	5.56%	94.44%
2006	1,849	33,295,849	18,007	4.03%	141	1:9	1:10	1,779.2	1,681.8	5.25%	94.53%
2007	1,859	36,649,678	19,715	9.48%	145	1:9	1:10	1,836.0	1,736.9	3.19%	94.60%
2008	1,858	39,418,180	21,215	7.61%	145	1:9	1:10	1,902.8	1,800.0	3.64%	94.60%
2009	1,952	38,880,397	19,918	-6.11%	145	1:9	1:10	1,868.0	1,791.9	-1.83%	95.93%
2010	2,052	40,747,833	19,858	-0.30%	145	1:9	1:10	1,872.4	1,797.6	0.24%	96.01%
2011	2,075	42,153,195	20,315	2.30%	159	1:12	1:14	2,054.8	1,965.6	9.74%	95.66%

a - Operating expenditures equal total expenditures less debt service and capital outlay.

b - Teaching staff includes only full-time equivalents of certificated staff.

c - Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d- This cost per pupil is obtained from the School Register Summary.

Note: Enrollment based on annual October District count.

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: Pascack Valley Regional High School District records.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST SEVEN FISCAL YEARS  
UNAUDITED

<u>District Building</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Pascack Valley High School (1962)							
Square Feet	171,594	171,594	171,594	171,594	171,594	171,594	171,594
* Capacity (students)	1,117	1,117	1,117	1,117	1,117	1,117	1,117
Enrollment	1,031	1,062	1,097	1,121	1,121	1,192	1,248
Pascack Hills High School (1954)							
Square Feet	161,870	161,870	161,870	161,870	161,870	161,870	161,870
* Capacity (students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	660	693	724	781	781	810	827
Superintendent's Office Building							
Square Feet	877	877	877	877	877	877	877
Board of Education Offices							
Square Feet	1,253	1,253	1,253	1,253	1,253	1,253	1,253

Number of Schools at June 30, 2011

    High School = 2

    Other = 2

\* Based on Functional Capacity in District's LRFPP

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

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: Pascack Valley Regional High School District Facilities Office.

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Undistributed Expenditures - Required Maintenance  
 For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Pascack Hills HS	N/A	\$ 259,645	\$ 259,704	\$ 307,522	\$ 279,207	\$ 297,751
Pascack Valley HS	N/A	189,939	255,335	247,623	273,353	266,027
Total School Facilities		<u>449,584</u>	<u>515,039</u>	<u>555,145</u>	<u>552,560</u>	<u>563,778</u>
Grand Total		<u>\$ 449,584</u>	<u>\$ 515,039</u>	<u>\$ 555,145</u>	<u>\$ 552,560</u>	<u>\$ 563,778</u>

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Pascack Hills HS	N/A	\$ 155,765	\$ 271,776	\$ 155,639	\$ 152,691	\$ 220,027
Pascack Valley HS	N/A	161,165	236,329	174,146	176,982	228,544
Total School Facilities		<u>316,930</u>	<u>508,105</u>	<u>329,785</u>	<u>329,673</u>	<u>448,571</u>
Grand Total		<u>\$ 316,930</u>	<u>\$ 508,105</u>	<u>\$ 329,785</u>	<u>\$ 329,673</u>	<u>\$ 448,571</u>

N/A - Not Applicable.

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

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICTINSURANCE SCHEDULEJUNE 30, 2011UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy -		
Northeast Bergen County School Board - School Package		
Policy - Selective Insurance Company:		
Property - Blanket Building and Grounds:		
School Limit	\$ 90,382,660	\$ 5,000
Flood:		
Outside Zones A, V or B	5,000,000	50,000
Zones A or V	1,000,000	500,000
Earthquake	5,000,000	50,000
Boiler and Machinery - Selective Insurance Company:		
Property Damage	90,382,660	
General Liability - Selective Insurance Company:		
Per Occurrence	1,000,000	
Aggregate	2,000,000	
Commercial Automobile Liability - Selective Way Insurance Company:		
Combined Single Limit	1,000,000	
Comprehensive		1,000
Collision		1,000
Commercial Umbrella -		
Fireman's Fund	9,000,000	10,000
Commercial Umbrella -		
American Alternative Insurance Company		
Fireman's Fund Insurance Company (Excess of \$9,000,000):		
Per Occurrence	50,000,000	
Aggregate	50,000,000	
Worker's Compensation - Selective Insurance Company:		
Per Occurrence	1,000,000	
Policy Limit	1,000,000	
Aggregate	1,000,000	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2011  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Environmental Legal Liability - American Safety Casualty Insurance Company:		
Per Occurrence	\$ 1,000,000	\$ 15,000
Aggregate	3,000,000	
Crime Coverage - Selective Insurance Company:		
Primary (Per Employee)	100,000	5,000
Blanket Employee Dishonesty	400,000	
Forgery and Alterations	50,000	1,000
Educators Legal Liability - American Insurance Company:		
Educators Legal Ded	1,000,000	35,000
Employment Practices Ded		35,000
Individual Bonds - Selective Insurance Company:		
School Business Administrator/Board Secretary	450,000	
Treasurer of School Monies	450,000	
Accidental Death and Dismemberment - Gerber Life Insurance		
Principal Sum (AD&D)	100,000	
Student and Athletic Accident - Peoples Benefit Life Insurance Company:		
Accident Medical Expense Benefit:		
Athletics	5,000,000	
Voluntary	5,000,000	

**SINGLE AUDIT SECTION**



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 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
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 Newton, NJ 07860  
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Independent Auditors' Report on Internal Control over Financial Reporting  
 and on Compliance and Other Matters Based on an Audit of Financial Statements  
 Performed in Accordance with *Government Auditing Standards*

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Pascack Valley Regional High School District, in the County of Bergen (the "Board") as of, and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements and have issued our report thereon dated November 11, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey (the "Department"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board'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 providing an opinion on the effectiveness of the Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board'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 Board's financial statements will not be prevented, or detected and corrected on a timely basis.

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

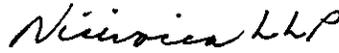
The Honorable President and Members  
of the Board of Education  
Pascack Valley Regional High School District  
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. However, we noted certain matters that we have reported in the *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance*, a separate report dated November 11, 2011.

This report is intended solely for the information and use of management, the members of the Board of Education, and to meet the requirements for filing with 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 these specified parties.

Mount Arlington, New Jersey  
November 11, 2011

  
NISIVOCCIA LLP



Francis J. Jones, Jr.  
Licensed Public School Accountant #1154  
Certified Public Accountant



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Independent Auditors' Report on Compliance with Requirements That  
 Could Have a Direct and Material Effect on Each Major Program and on  
 Internal Control Over Compliance in Accordance with OMB Circular A-133 and  
 New Jersey's OMB Circular NJOMB 04-04

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

Compliance

We have audited the compliance of the Board of Education of the Pascack Valley Regional High School District in the County of Bergen (the "Board") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. The Board's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the Board's management. Our responsibility is to express an opinion on the Board'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; audit requirements prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey (the "Department"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, OMB Circular A-133, and New Jersey's OMB Circular NJOMB 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 or state program occurred. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Board's compliance with those requirements.

In our opinion, the Board complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011.

The Honorable President and Members  
of the Board of Education  
Pascack Valley Regional High School District  
Page 2

Internal Control Over Compliance

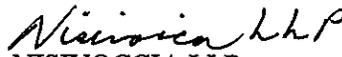
The management of the Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Board's internal control 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 the *New Jersey State Aid/Grant Compliance Supplement*, but not for the purpose of expressing our opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the members of the Board of Education, and to meet the requirements for filing with the New Jersey State Department of Education, and other federal or state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mount Arlington, New Jersey  
November 11, 2011

  
NISIVOCCIA LLP



Francis J. Jones, Jr.  
Licensed Public School Accountant #1154  
Certified Public Accountant

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2010		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2011	
			From	To		(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor
U.S. Department of Education -												
Passed-through State Department of Education:												
No Child Left Behind:												
Title I	84.010	NCLB-3960-11	9/1/10	8/31/11	\$ 27,734					\$ (27,734)	\$ (27,734)	
Title II - Part A	84.367	NCLB-3960-11	9/1/10	8/31/11	27,984					(27,984)	(27,984)	
Title II - Part D	84.318	NCLB-3960-11	9/1/10	8/31/11	37					(37)	(37)	
Title IV	84.186A	NCLB-3960-09	9/1/08	8/31/09	3,277	\$ (1,476)			\$ 1,476			
Total No Child Left Behind						(1,476)			1,476	(55,755)	(55,755)	
Special Education Cluster:												
I.D.E.A. Part B, Basic Regular	84.027	IDEA-3960-11	9/1/10	8/31/11	420,942			\$ 13,468	330,658	(420,941)	(76,815)	
I.D.E.A. Part B, Basic Regular	84.027	IDEA-3960-08	9/1/07	8/31/08	376,252		\$ 13,468	(13,468)				
American Recovery and Reinvestment Act:												
I.D.E.A. Part B, Basic	84.391	ARRA-3960-10	7/1/09	8/31/11	468,628	(80,427)			363,099	(382,596)	(99,924)	
Total Special Education Cluster						(80,427)	13,468		693,757	(803,537)	(176,739)	
Foreign Languages Assistance - Chinese Flap	84.293B	T293B070152	7/1/10	7/1/11	212,900				212,900	(212,900)		
Foreign Languages Assistance - Chinese Flap	84.293B	T293B070152	5/14/09	5/15/10	80,000	(43,000)			43,000			
Total Foreign Languages Assistance - Chinese Flap						(43,000)			255,900	(212,900)		
Total U.S. Department of Education						(124,903)	13,468		951,133	(1,072,192)	(232,494)	
Total Special Revenue Fund						(124,903)	13,468		951,133	(1,072,192)	(232,494)	
TOTAL FEDERAL AWARDS						\$ (124,903)	\$ 13,468	\$ -0-	\$ 951,133	\$ (1,072,192)	\$ (232,494)	\$ -0-

**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2010			Repayment of Prior Years' Balances	Balance at June 30, 2011		MEMO Cumulative Total Expenditures
		From	To		Budgetary (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	
<b>State Department of Education:</b>											
<b>General Fund:</b>											
Extraordinary Aid - Special Education	11-495-034-5120-473	7/1/10	6/30/11	\$ 269,483				\$ (269,483)	\$ (269,483)	\$ (269,483)	\$ 269,483
Nonpublic Transportation Aid	11-495-034-5120-014	7/1/10	6/30/11	17,522				(17,522)	(17,522)	(17,522)	17,522
Reimbursed TPAF Social Security Contributions	11-495-034-5095-002	7/1/10	6/30/11	1,317,640			\$ 1,317,640	(1,317,640)			1,317,640
Categorical Special Education Aid	10-495-034-5120-089	7/1/09	6/30/10	928,169	\$ (84,074)		84,074				
Equalization Aid	10-495-034-5120-078	7/1/09	6/30/10	42,908	(3,887)		3,887				
Categorical Security Aid	10-495-034-5120-084	7/1/09	6/30/10	99,923	(9,051)		9,051				
Categorical Transportation Aid	10-495-034-5120-014	7/1/09	6/30/10	292,705	(26,513)		26,513				
Extraordinary Aid - Special Education	10-495-034-5120-473	7/1/09	6/30/10	289,342	(289,342)		289,342				
Nonpublic Transportation Aid	10-495-034-5120-014	7/1/09	6/30/10	16,794	(16,794)		16,794				
<b>Total General Fund State Aid</b>					<b>(429,661)</b>		<b>1,747,301</b>	<b>(1,604,645)</b>		<b>(287,005)</b>	<b>1,604,645</b>
<b>State Department of Education:</b>											
<b>Special Revenue Fund:</b>											
<b>NJ Nonpublic Aid:</b>											
<b>Auxiliary Services (Chapter 192):</b>											
Compensatory Education	11-100-034-5120-067	7/1/10	6/30/11	89,588			89,588	(86,260)	\$ 3,328		86,260
English as a Second Language	11-100-034-5120-067	7/1/10	6/30/11	2,561			2,561		2,561		
Compensatory Education	10-100-034-5120-067	7/1/09	6/30/10	86,373		\$ 10,233		\$ (10,233)			
English as a Second Language	10-100-034-5120-067	7/1/09	6/30/10	3,915		3,915		(3,915)			
<b>Handicapped Services (Chapter 193):</b>											
Examination and Classification	11-100-034-5120-066	7/1/10	6/30/11	47,689			47,689	(41,472)		6,217	41,472
Supplementary Instruction	11-100-034-5120-066	7/1/10	6/30/11	1,565			1,565			1,565	
Corrective Speech	11-100-034-5120-066	7/1/10	6/30/11	40,995			40,995	(35,575)		5,420	35,575
Examination and Classification	10-100-034-5120-066	7/1/09	6/30/10	48,634		6,724		(6,724)			
Supplementary Instruction	10-100-034-5120-066	7/1/09	6/30/10	44,919		1,719		(1,719)			
Corrective Speech	10-100-034-5120-066	7/1/09	6/30/10	2,690		2,690		(2,690)			
Textbook Aid (Chapter 194)	11-100-034-5120-064	7/1/10	6/30/11	20,178			20,178	(18,200)		1,978	18,200
Textbook Aid (Chapter 194)	10-100-034-5120-064	7/1/09	6/30/10	22,134		307		(307)			
Nursing Services (Chapter 226)	11-100-034-5120-070	7/1/10	6/30/11	23,909			23,909	(23,909)			23,909
Governor's Initiative Grant	09-100-034-5063-288	7/1/08	6/30/10	3,011	(353)				(353)	(353)	
<b>Total Special Revenue Fund</b>					<b>(353)</b>	<b>25,588</b>	<b>226,485</b>	<b>(205,416)</b>	<b>(25,588)</b>	<b>(353)</b>	<b>205,416</b>
<b>Total State Department of Education</b>					<b>(430,014)</b>	<b>25,588</b>	<b>1,973,786</b>	<b>(1,810,061)</b>	<b>(25,588)</b>	<b>(287,358)</b>	<b>1,810,061</b>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2010			Repayment of Prior Years' Balances	Balance at June 30, 2011			MEMO			
		From	To		Budgetary (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	Due to Grantor	(Budgetary Receivable)	Cumulative Total Expenditures		
NJ Schools Development Authority:															
Capital Projects Fund:															
Educational Facilities Construction & Financing Act:															
Pascack Hills High School - Security System	SP-3960-050-09-1006	N/A	N/A	\$ 29,913	\$ (29,913)		\$ 29,913								
Pascack Valley High School - Security System	SP-3960-040-09-1002	N/A	N/A	30,341	(30,341)		30,341								
Pascack Valley High School - Window Replacement	SP-3960-050-09-1004	N/A	N/A	87,705	(87,705)										
Pascack Valley High School - Pre-K Classroom	SP-3960-050-09-1001	N/A	N/A	99,332	(99,331)										
Pascack Hills High School - Auditorium Renovations	SP-3960-040-09-1003	N/A	N/A	614,336	(614,336)			\$ (614,336)							
Pascack Valley High School - Dance & Fitness Rooms	SP-3960-050-10-1010	N/A	N/A	27,060											
Pascack Hills High School - Window Replacement	SP-3960-040-10-1009	N/A	N/A	110,272											
Pascack Hills High School - Roof Replacement	SP-3960-040-10-1003	N/A	N/A	134,140											
Pascack Valley High School - Science Lab Renovations	SP-3960-050-10-1006	N/A	N/A	242,822											
Pascack Valley High School - Roof Replacement	SP-3960-050-10-1004	N/A	N/A	175,400											
Pascack Valley High School - Life Skills Room	SP-3960-050-10-1008	N/A	N/A	192,881											
Pascack Valley High School - Elevator Upgrade	SP-3960-050-10-1005	N/A	N/A	110,800											
Total Capital Projects Fund					(861,626)		60,254	(614,336)		(614,336)		(1,794,747)		614,336	
Total NJ Schools Development Authority					(861,626)		60,254	(614,336)		(614,336)		(1,794,747)		614,336	
TOTAL STATE AWARDS					\$ (1,291,640)	\$ 25,588	\$ 2,034,040	\$ (2,424,397)	\$ (25,588)	\$ (901,694)	\$ 21,069	\$ (2,082,105)	\$ 2,424,397		

N/A - Not Available

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Pascack Valley Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2011. The information in these schedules are presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States and Local Governments and Non-Profit Organizations* and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net assets or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to P.L. 2003, C.97 (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent fiscal 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 revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$123,525 for the general fund, \$-0- for the special revenue fund and \$(379,039) for the capital projects fund. See Exhibits C-3 and F-1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and capital projects funds, respectively. Additionally, the schedule of state awards does not include the Post Retirement Medical Contributions revenue of \$1,150,603 nor the TPAF Non-Contributory Insurance revenue of \$54,171. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,932,944	\$ 2,932,944
Special Revenue Fund	\$ 1,072,192	205,416	1,277,608
Capital Projects Fund		614,336	614,336
Total Financial Assistance	<u>\$ 1,072,192</u>	<u>\$ 3,752,696</u>	<u>\$ 4,824,888</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2011.

NOTE 6. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA) GRANTS

The District has been awarded grants in the amount of \$13,398,556 from the New Jersey Schools Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2011, \$12,218,145 has been expended and \$11,603,809 drawn down. The District will realize the grant revenue in the Capital Projects Fund on a GAAP basis as it is expended and submitted for reimbursement.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Summary of Auditors' Results:

- An unqualified report was issued on the District's financial statements.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the District.
- The audit did not disclose any noncompliance which is material in relation to the financial statements of the District.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the District's major programs.
- An unqualified report was issued on the District's compliance for major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with Federal OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations* and New Jersey OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.
- The District's major programs for the current fiscal year consisted of the following federal and state awards:

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Part B, Basic Regular	84.027	9/1/10-8/31/11	\$ 420,942	\$ 420,941
American Recovery and Reinvestment Act:				
I.D.E.A. Part B, Basic Regular	84.391	7/1/09-8/31/11	468,628	382,596
<u>State:</u>				
Reimbursed TPAF Social Security Contributions				
Educational Facilities Construction and Financing Act:	11-495-034-5095-002	7/1/10-6/30/11	1,317,640	1,317,640
Pascack Hills High School - Auditorium Renovations	SP-3960-040-09-1003	N/A	614,336	614,336

- The threshold for distinguishing Type A and Type B federal and state programs was \$300,000.
- The District qualified as a "low-risk" auditee under the provisions of section 530 of the Circular.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any finding or questioned costs for federal awards as defined in section 510(a) of the federal circular.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 510(a) of the federal circular and NJ OMB 04-04.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2011

Status of Prior Year Findings:

The District had no prior year audit findings.