

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2012**

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INTRODUCTORY SECTION

RANCOCAS VALLEY REGIONAL HIGH SCHOOL

520 JACKSONVILLE ROAD
MOUNT HOLLY, NEW JERSEY 08060

Telephone: (609) 267-0830
FAX: (609) 265-9204

DR. GERARD JELLIG
Superintendent

MRS. LISA GIOVANELLI
*Business Administrator
Board Secretary*

MR. WILLIAM BOOTH
Assistant Principal

MRS. LETITIA BRANIN
Assistant Principal

MR. CHRISTOPHER MYERS
Assistant Principal

November 30, 2012

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

Dear Board Members:

The comprehensive annual financial report of the Rancocas Valley Regional High School District for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund of the 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 (4) sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

(1) REPORTING ENTITY AND ITS SERVICES:

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

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for handicapped students. The following details the changes in the student enrollment of the District over the last ten years.

Honorable President and
Members of the Board of Education

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Students</u>	<u>Percent Change</u>
2011-2012	1874.2	-7.02%
2010-2011	2015.6	-7.36%
2009-2010	2175.7	0.83%
2008-2009	2157.7	-3.91%
2007-2008	2245.4	-2.42%
2006-2007	2301.2	4.02%
2005-2006	2212.3	0.59%
2004-2005	2199.3	3.27%
2003-2004	2129.7	3.70%
2002-2003	2053.7	5.54%

(2) ECONOMIC CONDITION AND OUTLOOK:

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

(3) MAJOR INITIATIVES:

Our Mission

To build a community of empowered learners who value Perseverance, Respect, Integrity, Diversity and Excellence. RV PRIDE!

Our Vision

We will support all students in their transition into, through and beyond high school by assisting them to develop a life plan.

Throughout their high school career we will monitor their progress, offer guidance and support services tailored to their individual needs. The seminar class will give all students the tools needed to grow socially and emotionally through character education activities.

We will strive to cultivate an exemplary learning community by creating a safe and caring environment, which is free from bullying and harassment. Security will be maintained through the use of additional personnel, an expanded camera monitoring system, increased teacher presence and a WE TIP hotline. RV will be a school noted for its character education and conflict resolution programs.

We will embrace the RV community and stress the importance of collaborative relationships with the extended community: families, residents, businesses, and government agencies. Together, we will share and promote the vision and values of the school. The school and community will operate as a partnership by exchanging information and resources.

RV will be a community of high performance learners through diversified instruction, common assessments, and a progressive curriculum. Every student will be encourage and equipped with the skills to succeed at RV. Students will successfully meet state and federal requirements.

Honorable President and
Members of the Board of Education

(4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

(5) BUDGETARY CONTROLS:

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

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

(6) ACCOUNTING SYSTEM AND REPORTS:

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

(7) FINANCIAL INFORMATION AT FISCAL YEAR-END:

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

(8) CASH MANAGEMENT:

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

(9) RISK MANAGEMENT:

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

Honorable President and
Members of the Board of Education

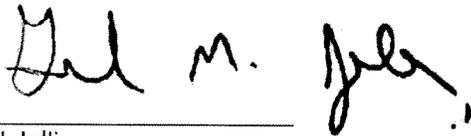
(10) INDEPENDENT AUDIT:

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

(11) ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Rancocas Valley Regional High School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the 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,

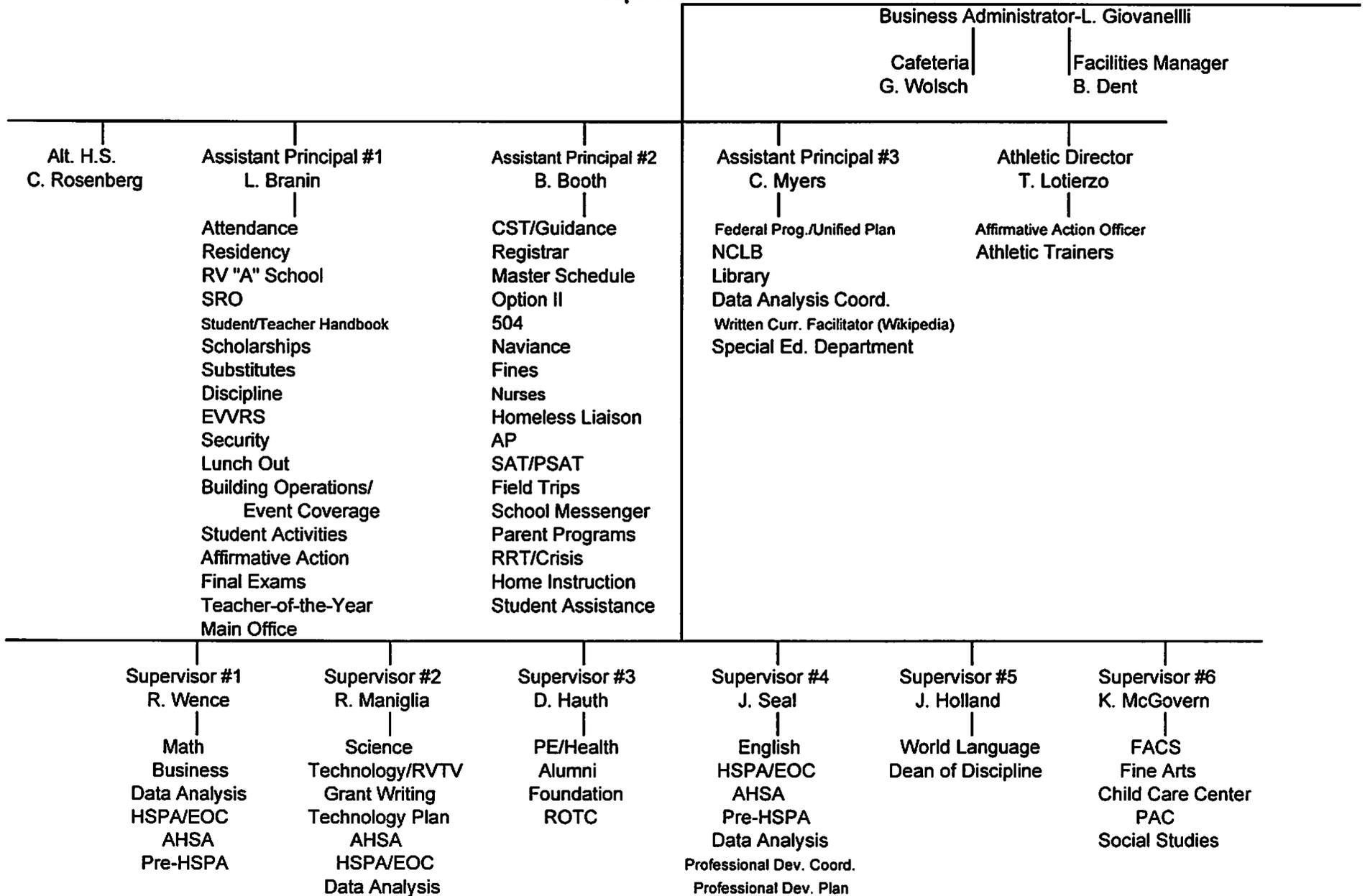


Dr. Gerard Jellig
Superintendent



Lisa Giovanelli
Business Administrator/Board Secretary

**ORGANIZATIONAL CHART
2011-2012
Dr. Jellig
Superintendent**



RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

MOUNT HOLLY, NEW JERSEY 08060

ROSTER OF OFFICIALS

June 30, 2012

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Jesse Adams Jr., President	2014
John M. LaPierre, Vice President	2014
Richard A. Alaimo	2015
Anthony D'Errico	2013
Louis A. Diaz	2015
R. Thomas Dow	2015
John E. McArthur	2014
Charles Miller	2013
Diane J. Solan	2013

OTHER OFFICIALS

Dr. Gerard Jellig, Superintendent

Lisa Giovanelli, Business Administrator/Board Secretary

Lawrence E. Fisher, Treasurer of School Monies

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

MOUNT HOLLY, NEW JERSEY 08060

CONSULTANTS AND ADVISORS

JUNE 30, 2012

AUDIT FIRM

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

ATTORNEY

Parker McCay P.A.
Stephen J. Mushinski, Esq.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054

INSURANCE BROKER

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

OFFICIAL DEPOSITORY

All banks, located within the boundaries of the School District

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Rancocas Valley Regional High School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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, the business-type activities, each major fund and the aggregate remaining fund information of the Rancocas Valley Regional High School District in the County of Burlington, State of New Jersey as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2012 on our consideration of the Rancocas Valley Regional High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because of the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rancocas Valley Regional High School District's financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rancocas Valley Regional High School District's basic financial statements. The introductory section and statistical section listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
 Certified Public Accountants
 & Consultants

Henry J. Ludwigen

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

Woodbury, New Jersey
 November 30, 2012

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2012 which collectively comprise the School District's basic financial statements and have issued our report thereon dated November 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the management, members of the Board of Education, others within the School District, the Division of Administration and Finance of the New Jersey Department of Education, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Woodbury, New Jersey
November 30, 2012

REQUIRED SUPPLEMENTARY INFORMATION
PART I

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

The management's discussion and analysis of Rancocas Valley Regional High School District (RVRHSD) financial performance provides an overall review of the school district's financial activities for the fiscal year ended June 30, 2012. The intent of the discussion and analysis is to look at the school district's financial performance and review the notes to the basic financial statements to enhance the understanding of the school district's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for 2012 fiscal year:

- The total assets of the Rancocas Valley Regional High School District exceeded its liabilities at the close of the most recent fiscal year by \$18,642,479.60 (net assets).
- The Rancocas Valley Regional High School District's total net assets increased by \$4,262,337.45, from the prior year.
- As of the close of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combined ending fund balances of \$12,586,789.78, an increase of \$3,833,177.93 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

- The *governmental funds* statements tell how basic services like regular and special education were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short and long-term* financial information about the activities the district operates *like businesses*, such as food services and adult education.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others.

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

District-wide Statements

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

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

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

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2012
 (Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements

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

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

The District has three kinds of funds:

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 provides a summary of the School District's net assets for 2012 and 2011.

Table 1		
Net Assets		
	<u>6/30/12</u>	<u>6/30/11</u>
Current and other assets	\$13,046,674.85	\$9,189,380.34
Capital assets	<u>25,927,551.01</u>	<u>26,864,154.95</u>
Total assets	<u>\$ 38,974,225.86</u>	<u>\$ 36,053,535.29</u>
Long-term liabilities	\$18,404,110.88	\$19,738,827.13
Other liabilities	<u>1,927,635.38</u>	<u>1,934,566.01</u>
Total liabilities	<u>20,331,746.26</u>	<u>21,673,393.14</u>
Net assets		
Invested in capital assets, net of related debt	6,119,676.93	5,707,948.36
Restricted	13,204,316.26	9,264,873.16
Unrestricted	<u>(681,513.59)</u>	<u>(592,679.37)</u>
Total Net Assets	<u>\$18,642,479.60</u>	<u>\$14,380,142.15</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Table 2 reflects changes in net assets for 2012 and 2011.

Table 2
Changes in Net Assets

Revenues	6/30/12	6/30/11
Program Revenues		
Charges for Services	\$2,243,241.57	\$2,175,603.12
Federal & State categorical Grants	2,823,053.32	2,555,189.68
General revenues		
Property Taxes	16,189,072.00	16,189,072.00
Federal and state grants	17,249,007.02	16,581,282.37
Other	<u>486,483.92</u>	<u>295,093.40</u>
Total Revenues	<u>\$38,990,857.83</u>	<u>\$37,796,240.57</u>
Expenses		
Instruction		
Regular	\$9,284,651.40	\$9,499,959.00
Special Education	1,674,090.44	1,694,153.33
Other Instruction	828,098.25	915,100.76
Student Services		
Tuition	4,434,118.27	4,315,637.40
Student and Instruction Related	2,465,855.34	2,477,619.45
General Administrative Services	412,633.25	532,803.58
School Administrative Services	1,053,441.15	1,050,437.10
Central Services	557,865.44	522,478.71
Administrative Information Tech.	353,572.45	364,460.04
Plant Operations and Maintenance	2,810,911.43	2,987,311.09
Pupil Transportation	1,818,285.55	1,789,861.82
Unallocated Benefits	5,839,054.48	6,586,712.41
Special Schools	1,305,522.02	1,231,686.64
Interest on Long-Term Debt	900,676.25	937,535.65
Unallocated Depreciation	133,112.00	170,406.85
Food Service	<u>856,632.66</u>	<u>880,500.33</u>
Total Expenses	<u>\$34,728,520.38</u>	<u>\$35,956,664.16</u>
Increase(decrease) in net assets	\$4,262,337.45	\$1,839,576.41
Beginning Net Assets	\$14,380,142.15	\$12,540,565.74
Ending Net Assets	<u>\$18,642,479.60</u>	<u>\$14,380,142.15</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Governmental-Type Activities

In 2011-12 Governmental-Type Activities revenues were \$38,111,655.18 or 97.75% of total revenues.

In 2010-11 Governmental-Type Activities revenues were \$36,950,189.24 or 97.76% of total revenues.

In 2011-12 General Revenues-Property Taxes of \$16,189,072.00 made up 42.48% percent, and General Revenues-Federal & State Grants of \$17,249,007.02 made up 45.26% percent of Governmental-Type Activities Revenues.

In 2010-11 Property taxes of \$16,189,072.00 made up 43.81% percent, and General Revenues – Federal & State Grants of \$16,207,419.27 made up 43.86% percent of Governmental-Type Activities Revenues.

In 2011-12 the District's Governmental-Type Activities expenditures decreased by \$1,204,276.11 or -3.43% percent. In 2010-11 \$500,000.00 was transferred to the District's unemployment reserve account to pay for any unemployment bills from the State of NJ Department of Labor, in 2011-12 no transfer was deemed necessary. 2011-12 was the first year employee's contributed to the cost of their health insurance, this amounted to \$184,541.34. There was a decrease in general administrative service of \$120,170.33 and interest on long term debt of \$36,859.40. Finally consistent with the decline in enrollment, salaries of teachers grades 9-12 decreased \$270,969.

In 2010-11 the District's Governmental-Type Activities expenditures decreased by \$1,269,594.13 or -3.49% percent, mainly because of program and staff cuts.

Business-Type Activities

In 2011-12 Business-Type Activities revenues were \$879,202.65 or 2.25% of total revenues. In 2010-11 Business-Type Activities revenues were \$846,051.33 or 2.24% of total revenues.

Charges for Services for Business-Type Activities were \$681,977.81 in 2012 compared to \$654,189.90 in 2011, a 4.25% increase.

Operating Grants and Contributions for Business-Type Activities were \$196,960.69 in 2012 compared to \$191,676.58 in 2011, a 2.76% increase.

Expenses for Business-Type Activities were \$856,632.66 in 2012 compared to \$880,500.33 in 2011, a 2.71% decrease.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

General Fund Budgeting Highlights

During fiscal 2012 school year, the Board of Education amended its general fund budget as needed. The net change in the total budget modification primarily resulted from the rollover of the prior year's encumbrances and anticipation of miscellaneous revenues.

The final budgetary basis revenue estimate was \$33,099,843.62, the original was \$32,980,236.00.

The 2011-2012 General Fund Tax Levy was \$15,412,596.00, an increase of \$302,208.00 or 2.00% from the 2010-2011 General Fund Tax Levy of \$15,110,388.00.

During fiscal year 2012, Rancocas Valley Regional High School District budgeted \$15,412,596.00 and \$15,356,060.00 for property taxes (local tax levy) and state aid revenues, respectively.

The Rancocas Valley Regional High School District also received \$795,603.01 and \$1,139,101.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditure appropriation estimate was \$35,613,309.31 compared to the original estimate of \$35,192,751.00.

The Rancocas Valley Regional High School District's expenditures also include reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions of \$795,603.01 and \$1,139,101.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

Financial Analysis of the Government's Funds

Governmental Funds - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combining ending fund balances of \$12,586,789.78, an increase of \$3,833,177.93 in comparison with the prior year.

Of the combined ending fund balances of \$12,586,789.78, (\$617,526.48) constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been restricted or assigned. For example; to liquidate contracts and purchase orders of the prior period \$749,095.51.

Proprietary Fund - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's proprietary fund had \$99,277.04 in unrestricted net assets.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

CAPITAL ASSETS

At the end of fiscal year 2012, RVRHSD had \$25,927,551.01 in capital assets less accumulated depreciation, which include land, school buildings, athletic facilities, computers and equipment and vehicles. Invested in Capital Assets, Net of Related Debt was \$6,119,676.93 at 6/30/12 and \$5,707,948.36 at 6/30/11. Table 3 reflects the capital assets.

Table 3
Capital Assets

Capital Assets (Net of Depreciation)	6/30/12	6/30/11
Land	\$ 1,061,130.00	\$ 1,061,130.00
Buildings	23,893,279.63	24,741,112.20
Equipment and furniture	<u>973,141.38</u>	<u>1,061,912.75</u>
Total	<u>\$ 25,927,551.01</u>	<u>\$ 26,864,154.95</u>

Depreciation expense was \$980,944.57 the year ended 6/30/12 and \$974,432.75 for the year ended 6/30/11.

DEBT ADMINISTRATION

At June 30, 2012, RVRHSD had \$19,723,000.00 in outstanding bonds. This represents a \$1,050,000.00 decrease from last year.

At June 30, 2012 RVRHSD had \$666,000.00 in capital lease obligations, a decrease of \$333,000.00 from the prior year end.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited) (Cont'd)

FACTORS ON THE DISTRICT'S FUTURE

For the 2011-12 school year, the District was able to sustain its budget through property taxes, federal and state aid, and miscellaneous revenue sources.

One of the most important factors affecting the District's budget is state aid. The 2012-13 budget was adopted under the two percent tax levy increase cap (\$154,126.00 or 1% general fund tax levy increase) based in part on the state aid the District anticipates receiving, which is only \$417.00 higher than the prior year adopted budget.

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

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

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district finances to show the school districts accountability for money it receives. If you questions about this report or need additional information, contact Lisa Giovanelli, Business Administrator/Board Secretary at Rancocas Valley Regional High School District, 520 Jacksonville Road, Mount Holly, New Jersey 08060.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Assets
June 30, 2012

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 8,354,356.57	\$ 77,702.22	\$ 8,432,058.79
Investments	2,670.99		2,670.99
Receivables, net	434,342.20	7,054.02	441,396.22
Interfunds Receivable	5,000.00	35,977.23	40,977.23
Inventory		10,843.75	10,843.75
Restricted Assets:			
Restricted Cash and Cash Equivalents	255,209.36		255,209.36
Capital Reserve Account - Cash	3,698,529.71		3,698,529.71
Bond Issuance Costs - Net of Amortization	164,988.80		164,988.80
Capital Assets, net (Note 7)	<u>25,897,980.63</u>	<u>29,570.38</u>	<u>25,927,551.01</u>
Total Assets	<u>38,813,078.26</u>	<u>161,147.60</u>	<u>38,974,225.86</u>
LIABILITIES:			
Accounts Payable	109,852.37	32,300.18	142,152.55
Interfund Payable	35,977.23		35,977.23
Payable to Federal Government	743.00		743.00
Deferred Revenue	16,746.45		16,746.45
Noncurrent Liabilities (Note 8):			
Due within One Year	1,732,016.15		1,732,016.15
Due beyond One Year	<u>18,404,110.88</u>		<u>18,404,110.88</u>
Total Liabilities	<u>20,299,446.08</u>	<u>32,300.18</u>	<u>20,331,746.26</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	6,090,106.55	29,570.38	6,119,676.93
Restricted for:			
Capital Projects	3,868,992.07		3,868,992.07
Debt Service	1,956.53		1,956.53
Permanent Endowment	85,461.46		85,461.46
Other Purposes	9,247,906.20		9,247,906.20
Unrestricted	<u>(780,790.63)</u>	<u>99,277.04</u>	<u>(681,513.59)</u>
Total Net Assets	<u>\$ 18,513,632.18</u>	<u>\$ 128,847.42</u>	<u>\$ 18,642,479.60</u>

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

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2012

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 9,284,651.40	\$ 377,626.56	\$ 634,434.19	\$ -	\$ (8,272,590.65)	\$ -	\$ (8,272,590.65)
Special Education	1,674,090.44				(1,674,090.44)		(1,674,090.44)
Other Instruction	828,098.25				(828,098.25)		(828,098.25)
Support Services:							
Tuition	4,434,118.27				(4,434,118.27)		(4,434,118.27)
Student and Instruction Related Services	2,465,855.34		56,954.43		(2,408,900.91)		(2,408,900.91)
General Administrative Services	412,633.25				(412,633.25)		(412,633.25)
School Administrative Services	1,053,441.15				(1,053,441.15)		(1,053,441.15)
Central Services	557,865.44				(557,865.44)		(557,865.44)
Administrative Information Technology	353,572.45				(353,572.45)		(353,572.45)
Plant Operations and Maintenance	2,810,911.43				(2,810,911.43)		(2,810,911.43)
Pupil Transportation	1,818,285.55				(1,818,285.55)		(1,818,285.55)
Unallocated Benefits	5,839,054.48		1,934,704.01		(3,904,350.47)		(3,904,350.47)
Special Schools	1,305,522.02	1,183,637.20			(121,884.82)		(121,884.82)
Interest on Long-Term Debt	900,676.25				(900,676.25)		(900,676.25)
Unallocated Depreciation	133,112.00				(133,112.00)		(133,112.00)
Total Governmental Activities	33,871,887.72	1,561,263.76	2,626,092.63	-	(29,684,531.33)	-	(29,684,531.33)
Business-Type Activities:							
Food Service	856,632.66	681,977.81	196,960.69	-		22,305.84	22,305.84
Total Business-Type Activities	856,632.66	681,977.81	196,960.69	-	-	22,305.84	22,305.84
Total Primary Government	\$ 34,728,520.38	\$ 2,243,241.57	\$ 2,823,053.32	\$ -	(29,684,531.33)	22,305.84	(29,662,225.49)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					15,412,596.00		15,412,596.00
Taxes Levied for Debt Service					776,476.00		776,476.00
Federal and State Aid not Restricted					17,249,007.02		17,249,007.02
Miscellaneous Income					486,219.77	264.15	486,483.92
Total General Revenues, Special Items, Extraordinary Items and Transfers					33,924,298.79	264.15	33,924,562.94
Change in Net Assets					4,239,767.46	22,569.99	4,262,337.45
Net Assets -- July 1					14,273,864.72	106,277.43	14,380,142.15
Net Assets -- June 30					\$ 18,513,632.18	\$ 128,847.42	\$ 18,642,479.60

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

FUND FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS:						
Cash and Cash Equivalents	\$ 12,052,886.28	\$ -	\$ 171,352.98	\$ 1,065.91	\$ 82,790.47	\$ 12,308,095.64
Investments					2,670.99	2,670.99
Interfunds Receivable	54,502.01			890.62		55,392.63
Receivables from Other Governments	199,112.09	51,845.01				250,957.10
Other - Tuition	183,385.10					183,385.10
Total Assets	\$ 12,489,885.48	\$ 51,845.01	\$ 171,352.98	\$ 1,956.53	\$ 85,461.46	\$ 12,800,501.46
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 109,852.37	\$ -	\$ -	\$ -	\$ -	\$ 109,852.37
Payable to Federal Government		743.00				743.00
Interfunds Payable	35,977.23	49,502.01	890.62			86,369.86
Deferred Revenue	15,146.45	1,600.00				16,746.45
Total Liabilities	160,976.05	51,845.01	890.62	-	-	213,711.68
Fund Balances:						
Restricted:						
Emergency Reserve	351,914.00					351,914.00
Capital Reserve Account	3,698,529.71					3,698,529.71
Capital Projects Fund			154,415.56			154,415.56
Debt Service Fund				1,956.53		1,956.53
Excess Surplus - Current Year	3,920,836.69					3,920,836.69
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	4,097,780.53					4,097,780.53
Other Purposes					85,461.46	85,461.46
Assigned:						
Other Purposes	749,095.51		16,046.80			765,142.31
Designated for Subsequent Year's Expenditures	128,279.47					128,279.47
Unassigned	(617,526.48)					(617,526.48)
Total Fund Balances	12,328,909.43		170,462.36	1,956.53	85,461.46	12,586,789.78
Total Liabilities and Fund Balances	\$ 12,489,885.48	\$ 51,845.01	\$ 171,352.98	\$ 1,956.53	\$ 85,461.46	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$ 41,001,422.30, and the accumulated depreciation is \$15,103,441.67.

25,897,980.63

Bond Issuance Costs

164,988.80

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.

(20,136,127.03)

Net assets of governmental activities

\$ 18,513,632.18

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local Tax Levy	\$ 15,412,596.00			\$ 776,476.00		\$ 16,189,072.00
Tuition Charges	1,561,263.76					1,561,263.76
Miscellaneous	485,692.89		\$ 890.62		\$ 781.06	487,364.57
State Sources	17,773,986.01			828,062.00		18,602,048.01
Federal Sources	581,663.02	\$ 691,388.62				1,273,051.64
Total Revenues	35,815,201.68	691,388.62	890.62	1,604,538.00	781.06	38,112,799.98
EXPENDITURES:						
Current:						
Regular Instruction	7,939,116.87	634,434.19				8,573,551.06
Special Education Instruction	1,631,698.81					1,631,698.81
Other Instruction	828,098.25					828,098.25
Support Services and Undistributed Costs:						
Tuition	4,434,118.27					4,434,118.27
Student and Instruction Related Services	2,405,900.91	56,954.43			3,000.00	2,465,855.34
General Administrative Services	412,633.25					412,633.25
School Administrative Services	968,657.89					968,657.89
Central Services	557,865.44					557,865.44
Administrative Information Technology	353,572.45					353,572.45
Plant Operations and Maintenance	2,810,911.43					2,810,911.43
Pupil Transportation	1,818,285.55					1,818,285.55
Unallocated Benefits	5,824,428.07					5,824,428.07
Special Schools	1,305,522.02					1,305,522.02
Debt Service:						
Principal				1,050,000.00		1,050,000.00
Interest and Other Charges				866,008.76		866,008.76
Capital Outlay	371,970.66		5,300.00			377,270.66
Total Expenditures	31,662,779.87	691,388.62	5,300.00	1,916,008.76	3,000.00	34,278,477.25
Excess (Deficiency) of Revenues over Expenditures	4,152,421.81	-	(4,409.38)	(311,470.76)	(2,218.94)	3,834,322.73
OTHER FINANCING SOURCES (USES):						
Increase (Decrease) in Market Value of Permanent Fund Investments					(1,144.80)	(1,144.80)
Operating Transfers In				304,416.62		304,416.62
Operating Transfers Out			(304,416.62)			(304,416.62)
Total Other Financing Sources and Uses	-	-	(304,416.62)	304,416.62	(1,144.80)	(1,144.80)
Net Change in Fund Balances	4,152,421.81	-	(308,826.00)	(7,054.14)	(3,363.74)	3,833,177.93
Fund Balance -- July 1	8,176,487.62	-	479,288.36	9,010.67	88,825.20	8,753,611.85
Fund Balance -- June 30	\$ 12,328,909.43	\$ -	\$ 170,462.36	\$ 1,956.53	\$ 85,461.46	\$ 12,586,789.78

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2012

Total Net Change in Fund Balances - Governmental Funds		\$ 3,833,177.93
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (980,944.57)	
Capital Outlays	377,270.66	(603,673.91)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		1,050,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		16,812.50
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(56,549.06)
Change in Net Assets of Governmental Activities		\$ 4,239,767.46

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2012

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 77,702.22
Accounts Receivable:	
State	177.24
Federal	6,876.78
Interfund Receivable	35,977.23
Inventories	<u>10,843.75</u>
Total Current Assets	<u>131,577.22</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	96,941.79
Less Accumulated Depreciation	<u>(67,371.41)</u>
Total Noncurrent Assets	<u>29,570.38</u>
Total Assets	<u>161,147.60</u>
LIABILITIES :	
Current Liabilities:	
Accounts Payable	<u>32,300.18</u>
Total Liabilities	<u>32,300.18</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	29,570.38
Unrestricted	<u>99,277.04</u>
Total Net Assets	<u>\$ 128,847.42</u>

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Business-Type Activities - Enterprise Fund
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 186,950.00
Daily Sales - Non-Reimbursable Programs	495,027.81
	681,977.81
Total Operating Revenues	681,977.81
OPERATING EXPENSES:	
Salaries	327,760.23
Employee Benefits	80,103.10
Supplies and Materials	33,435.34
Depreciation	9,487.37
Cost of Sales	313,080.31
Uniforms & Laundry	3,925.02
Management Fees	37,572.47
Insurance	24,116.62
Professional Fees	6,500.00
Miscellaneous	20,652.20
	856,632.66
Total Operating Expenses	856,632.66
Operating Income (Loss)	(174,654.85)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	4,924.99
Federal Sources:	
National School Lunch Program	148,029.56
National School Breakfast Program	23,890.14
Food Distribution Program	20,116.00
Interest Revenue	264.15
	197,224.84
Total Nonoperating Revenues (Expenses)	197,224.84
Change in Net Assets	22,569.99
Net Assets -- July 1	106,277.43
Net Assets -- June 30	\$ 128,847.42

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 681,977.81
Payments to Employees	(327,760.23)
Payments for Employee Benefits	(80,103.10)
Payments to Suppliers	<u>(433,153.51)</u>
Net Cash Provided by (used for) Operating Activities	<u>(159,039.03)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Interfund	(35,977.23)
State and Federal Sources	<u>178,914.26</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>142,937.03</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>264.15</u>
Net Cash Provided by (used for) Investing Activities	<u>264.15</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(15,837.85)
Balances -- July 1	<u>93,540.07</u>
Balances -- June 30	<u><u>\$ 77,702.22</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (174,654.85)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	9,487.37
Food Distribution Program	20,116.00
(Increase) Decrease in Inventories	(1,681.93)
Increase (Decrease) in Accounts Payable	<u>(12,305.62)</u>
Total Adjustments	<u>15,615.82</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (159,039.03)</u></u>

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Trust Funds	Agency Funds	
	Unemployment Compensation <u>Trust</u>	Student Activity	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 840,137.94	\$ 416,812.43	\$ 117,528.63
Total Assets	<u>840,137.94</u>	<u>416,812.43</u>	<u>117,528.63</u>
LIABILITIES:			
Interfund Payable			\$ 5,000.00
Payable to Student Groups		\$ 416,812.43	
Payroll Deductions and Withholdings			<u>112,528.63</u>
Total Liabilities	<u>-</u>	<u>\$ 416,812.43</u>	<u>\$ 117,528.63</u>
NET ASSETS:			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 840,137.94</u>		

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2012

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 55,003.01
Investment Earnings:	
Interest	1,690.19
Total Additions	56,693.20
DEDUCTIONS:	
Quarterly Contribution Reports	13,978.12
Unemployment Claims	91,868.03
Total Deductions	105,846.15
Change in Net Assets	(49,152.95)
Net Assets -- July 1	889,290.89
Net Assets -- June 30	\$ 840,137.94

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Rancocas Valley Regional High School District (hereafter referred to as the School District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades 9-12 at the School District's one high school. The School District has an approximate enrollment at June 30, 2012 of 2,081.

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

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

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

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

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

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

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

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds and component units fiduciary in nature. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The general fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings, and the purchase of built-in equipment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Financial Statements (Cont'd)****Governmental Funds (Cont'd)**

General Fund (Cont'd) - In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the 2010-2011 school year, through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2012 is considered to be attributable to Ed Jobs. Ed Jobs expenditures at June 30, 2012 are included as a component of overall general fund expenditures, and also are included in total general fund expenditures for purposes of the excess surplus calculation.

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.

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 New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

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

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those found in the private sector.

Enterprise Funds - The Enterprise Funds are used to account for operations:

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

The School District's enterprise fund is:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Financial Statements (Cont'd)**

Proprietary Funds (Cont'd) - All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

Equipment	12 Years
Light Trucks and Vehicle	4 Years
Heavy Trucks and Vehicle	6 Years

Fiduciary Funds - Fiduciary Fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Pension trust funds are used to account for resources held in trust for employees and their beneficiaries based on defined benefit pension agreements, defined contribution agreements, other postemployment benefit agreements, and other employee benefit arrangements. Investment trust funds are used to report the external portion of an investment pool as defined in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The School District has three fiduciary funds; an unemployment compensation trust fund, a student activity fund, and payroll fund.

Measurement Focus

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

For the fund financial statements, all governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation, with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

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

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

For fund financial statements, all governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds, like the government-wide financial statements, use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

Recognition of Revenue - Revenue resulting from exchange transactions, which are defined as transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. For the governmental fund financial statements, which are prepared on the modified accrual basis, however, such revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Revenue resulting from non-exchange transactions, which are defined as transactions in which the School District receives value without directly giving equal value in return, includes Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: tuition, grants, fees, and rentals.

Expenses / Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund financial statements is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

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

Budgets / Budgetary Control (Cont'd) - Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis of accounting, with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

Cash, Cash Equivalents and Investments (Cont'd) - N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental units shall deposit public funds in public depositories unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2012 and 2011 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure / expense in the next fiscal period. Unlike prepaid expense, deferred expenditures are not regularly recurring costs of operations.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District, and that are due within one year. These amounts are eliminated in the government-wide financial statements, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and / or interfunds payable on the statement of net assets.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the governmental fund financial statements. Capital assets utilized by the proprietary funds, however, are reported both in the business-type activities column of the government-wide statement of net assets and the proprietary fund statement of net assets.

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

Capital Assets (Cont'd) - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

Accrued Salaries and Wages - Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

Compensated Absences - Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In the proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance - The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, and then unassigned

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

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service program. Non-operating revenues principally consist of federal and state grant funding and interest income earned on various interest-bearing accounts.

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

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

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2012, the School District's bank balances of \$15,171,204.81 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 389,419.78
Collateralized by securities held by the pledging financial institution	14,448,994.56
FDIC Insured	332,790.47
Collateralized by securities held by the pledging financial institution's trust department or agent but not in the depositor-governments name	-
Total	<u>\$ 15,171,204.81</u>

Note 3: INVESTMENTS IN SECURITIES

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Of the School District's total \$2,670.99 of investments, \$2,670.99 of investments in common stock are uninsured, not registered in the name of the School District, and are held by the counterparty.

As of June 30, 2012, the School District's Permanent Fund had the following investment which was received by donation:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Common Stock	Not applicable	<u>\$ 2,670.99</u>

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

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

As of June 30, 2012, the School District's investments had the following ratings:

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School District's investment policies place no limit on the amount the School District may invest in any one issuer. As of June 30, 2012, 100% of the District's Permanent Fund investment is in common stock of one organization.

Note 4: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District, by inclusion of amounts in previously adopted budgets, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance July 1, 2011		\$ 1,693,529.71
Increased by:		
Interest Earnings	\$ 5,000.00	
Deposits - Transferred by Resolution	<u>2,000,000.00</u>	
		<u>2,005,000.00</u>
		3,698,529.71
Decreased by:		
Withdraw - Board Resolution		<u>-</u>
Ending Balance June 30, 2012		<u><u>\$ 3,698,529.71</u></u>

The June 30, 2012 LRFP balance of local support costs of uncompleted projects at June 30, 2012 is \$3,921,031.00.

Note 5: ACCOUNTS RECEIVABLE

Accounts Receivable at June 30, 2012 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

Accounts Receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Intergovernmental	\$ 199,112.09	\$ 51,845.01	\$ 7,054.02	\$ 258,011.12
Other	<u>183,385.10</u>			<u>183,385.10</u>
Total	<u>\$ 382,497.19</u>	<u>\$ 51,845.01</u>	<u>\$ 7,054.02</u>	<u>\$ 441,396.22</u>

Note 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

Food	\$ 8,563.14
Supplies	<u>2,280.61</u>
	<u>\$ 10,843.75</u>

Note 7: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,061,130.00			\$ 1,061,130.00
Total Capital Assets, not being Depreciated	1,061,130.00			1,061,130.00
Capital Assets, being Depreciated:				
Building and Improvements	35,101,445.11		\$ (30,011.81)	35,071,433.30
Equipment	4,815,031.00	\$ 53,828.00		4,868,859.00
Total Capital Assets, being Depreciated	39,916,476.11	53,828.00	(30,011.81)	39,940,292.30
Less Accumulated Depreciation for:				
Building and Improvements	(10,360,332.91)	(847,832.57)	30,011.81	(11,178,153.67)
Equipment	(3,792,176.00)	(133,112.00)		(3,925,288.00)
Total Accumulated Depreciation	(14,152,508.91)	(980,944.57) *	30,011.81	(15,103,441.67)
Total Capital Assets, being Depreciated, Net	25,763,967.20	(927,116.57)	-	24,836,850.63
Governmental Activities Capital Assets, Net	<u>\$ 26,825,097.20</u>	<u>\$ (927,116.57)</u>	<u>\$ -</u>	<u>\$ 25,897,980.63</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 96,941.79			\$ 96,941.79
Less Accumulated Depreciation	(57,884.04)	\$ (9,487.37)		(67,371.41)
Business-Type Activities Capital Assets, Net	<u>\$ 39,057.75</u>	<u>\$ (9,487.37)</u>	<u>\$ -</u>	<u>\$ 29,570.38</u>

Note 7: CAPITAL ASSETS (CONT'D)

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 720,657.68
Special Education	42,391.63
School Administrative Services	84,783.26
Unallocated	<u>133,112.00</u>
Total Depreciation Expense	<u><u>\$ 980,944.57</u></u>

Note 8: LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2012, the following changes occurred in long-term obligations:

	<u>Outstanding July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2012</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 20,773,000.00		\$ (1,050,000.00)	\$ 19,723,000.00	\$ 1,055,000.00
Capital Leases	999,000.00		(333,000.00)	666,000.00	333,000.00
Accrued Interest Payable	362,326.57	\$ 345,514.07	(362,326.57)	345,514.07	345,514.07
Unamortized Amounts:					
Premium on Bonds	159,242.66		(8,381.19)	150,861.47	8,381.19
Loss on Refunding	(963,207.80)		50,695.15	(912,512.65)	(50,695.15)
Compensated Absences	<u>148,637.74</u>	<u>14,626.41</u>		<u>163,264.15</u>	<u>40,816.04</u>
Governmental Activity Long-term Liabilities	<u><u>\$ 21,478,999.17</u></u>	<u><u>\$ 360,140.48</u></u>	<u><u>\$ (1,703,012.61)</u></u>	<u><u>\$ 20,136,127.04</u></u>	<u><u>\$ 1,732,016.15</u></u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On February 10, 2005, the School District issued \$21,170,000.00 refunding general obligation bonds at interest rates varying from 3.25% to 4.75% for various construction and renovation projects. The final maturity of these bonds is February 1, 2029. The bonds will be paid from property taxes.

On June 11, 2008, the School District issued \$2,483,000.00 general obligation bonds at interest rates varying from 3.00% to 3.50% for various renovations and improvement projects. The final maturity of these bonds is August 1, 2018. The bonds will be paid from property taxes.

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

Principal and interest due on bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,055,000.00	\$ 825,496.26	\$ 1,880,496.26
2014	1,055,000.00	789,065.01	1,844,065.01
2015	1,060,000.00	748,465.01	1,808,465.01
2016	1,100,000.00	707,740.01	1,807,740.01
2017	1,145,000.00	665,071.26	1,810,071.26
2018-2022	5,473,000.00	2,648,938.80	8,121,938.80
2023-2027	6,060,000.00	1,424,843.80	7,484,843.80
2028-2032	<u>2,775,000.00</u>	<u>183,093.76</u>	<u>2,958,093.76</u>
	<u>\$ 19,723,000.00</u>	<u>\$ 7,992,713.91</u>	<u>\$ 27,715,713.91</u>

Bonds Authorized But Not Issued - As of June 30, 2012, the School District had no authorized but not issued bonds.

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

Capital Leases Payable – On October 27, 2008 the Rancocas Valley Regional High School District entered into an agreement to purchase an Elementary School Building from the Eastampton Township School District for \$2,000,000.00. The Rancocas Valley Regional High School District will lease the building for five (5) years at \$333,000.00 per year and this rent shall be applied to the purchase price. The lease shall begin on August 15, 2009 and terminated on July 15, 2014. Upon full payment, closing will take place where the Eastampton Township School District will transfer the title of ownership.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 333,000.00	none	\$ 333,000.00
2014	<u>333,000.00</u>	<u>none</u>	<u>333,000.00</u>
	<u>\$ 666,000.00</u>	<u>\$ -</u>	<u>\$ 666,000.00</u>

Note 9: OPERATING LEASES

At June 30, 2012 the School District had an operating lease agreement in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreement is as follows:

Fiscal Year	Amount
<u>Ending June 30,</u>	
2013	<u>\$ 30,653.16</u>

Rental payments under operating leases for the fiscal year ended June 30, 2012 were \$91,959.48.

Note 10: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Note 10: PENSION PLANS (CONT'D)

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Public Employees Retirement System

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>NCGI Premium</u>	<u>Total Liability</u>	<u>Paid by District</u>
2012	\$ 93,648.00	\$ 187,295.00	\$ 17,899.00	\$ 298,842.00	\$ 298,842.00
2011	102,150.00	162,769.00	20,120.00	285,039.00	285,039.00
2010	82,091.00	105,478.00	26,011.00	213,580.00	213,580.00

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District had no participants in this program as of June 30, 2012.

Note 11: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in fiscal year 2011.

Note 12: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2012, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$378,406.00 and \$760,695.00, respectively (\$1,139,101.00 in total).

Note 13: RISK MANAGEMENT

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

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

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

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

<u>Year Ending June 30,</u>	<u>District Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	none	\$ 91,868.03	\$ 840,137.94
2011	\$ 500,000.00	180,214.37	889,290.89
2010	400,000.00	71,240.94	555,505.65

Note 14: DEFERRED COMPENSATION

The School District offers its employees a choice of five deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

*Metropolitan
Equitable
Midland
Lincoln Investment
The Faller Company*

Note 15: COMPENSATED ABSENCES

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Up to five vacation days not used during the year may be accumulated and carried forward with the approval of the Superintendent. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2012, the liability for compensated absences in the governmental fund types was \$163,264.14. As of June 30, 2012, no liability existed for compensated absences in the proprietary fund types.

Note 16: ARBITRAGE REBATE

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

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

Note 17: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as of June 30, 2012:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 54,502.01	\$ 35,977.23
Special Revenue		49,502.01
Capital		890.62
Debt Service	890.62	
Enterprise	35,977.23	
Fiduciary		5,000.00
	<u>\$ 91,369.86</u>	<u>\$ 91,369.86</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2013, the District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 18: DEFICIT FUND BALANCES

The School District has a deficit fund balance of (\$617,526.48) in the General Fund as of June 30, 2012 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of (\$617,526.48) and the deficit in the governmental activities on the net assets statement of (\$780,790.63) is less than the June state aid payments.

Note 19: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund -

For Emergency Reserve - As of June 30, 2012, the balance in the emergency reserve is \$351,914.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

For Capital Reserve Account - As of June 30, 2012, the balance in the capital reserve account is \$3,698,529.71. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$3,920,836.69. Additionally, \$4,097,780.53 of excess fund balance generated during 2010-2011 has been restricted and designated for utilization in the 2012-2013 budget.

Capital Projects Fund - In 2008, the School District issued general obligation bonds for various capital projects. The bonds were approved by the voters of the School District at special elections. As of June 30, 2012, the restricted fund balance amount was \$154,415.56.

Debt Service Fund - Interest earnings on bond proceeds are to be utilized to payback any outstanding debt service obligations of the School District. As of June 30, 2012, the restricted fund balance amount was \$1,956.53.

Permanent Fund - The School District has received contributions for scholarships. As of June 30, 2012, the restricted fund balance amount was \$85,461.46.

Note 19: FUND BALANCES (CONT'D)**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund -

Other Purposes - As of June 30, 2012, the School District had \$749,095.51 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2013 \$128,279.47 of general fund balance at June 30, 2012.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2012, a deficit of \$617,526.48 in the general fund balance was unassigned.

Note 20: LITIGATION

The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 15,412,596.00	\$ -	\$ 15,412,596.00	\$ 15,412,596.00	\$ -
Tuition	1,433,840.00	-	1,433,840.00	1,561,263.76	127,423.76
Interest Earned on Capital Reserve Funds	5,000.00	-	5,000.00	5,000.00	-
Unrestricted Miscellaneous Revenues	185,602.00	102,076.62	287,678.62	480,692.89	193,014.27
Total - Local Sources	17,037,038.00	102,076.62	17,139,114.62	17,459,552.65	320,438.03
State Sources:					
Extraordinary Aid				146,483.00	146,483.00
Categorical Special Education Aid	1,151,182.00	-	1,151,182.00	1,151,182.00	-
Equalization Aid	13,418,510.00	-	13,418,510.00	13,418,510.00	-
Categorical Security Aid	207,124.00	-	207,124.00	207,124.00	-
Categorical Transportation Aid	579,244.00	-	579,244.00	906,332.00	327,088.00
Adjustment Aid	-	-	-	55,885.00	55,885.00
Non-Public School Transportation Costs	-	-	-	13,920.00	13,920.00
On-Behalf TPAF Pension Contributions (non-budgeted)	-	-	-	1,139,101.00	1,139,101.00
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	795,603.01	795,603.01
Total - State Sources	15,356,060.00	-	15,356,060.00	17,834,140.01	2,478,080.01
Federal Sources:					
Semi-Medicaid	27,532.00	-	27,532.00	4,526.02	(23,005.98)
Education Jobs Fund	559,606.00	17,531.00	577,137.00	577,137.00	-
Total - Federal Sources	587,138.00	17,531.00	604,669.00	581,663.02	(23,005.98)
Total Revenues	32,980,236.00	119,607.62	33,099,843.62	35,875,355.68	2,775,512.06
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	7,339,550.00	(5,000.00)	7,334,550.00	6,889,569.88	444,980.12
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000.00	15,948.00	60,948.00	60,947.84	0.16
Purchased Professional Educational Services	31,000.00	(10,948.00)	20,052.00	5,907.12	14,144.88
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 Series)	121,000.00	5,654.00	126,654.00	126,653.96	0.04
General Supplies	783,643.00	72,185.05	855,828.05	634,447.07	221,380.98
Textbooks	227,000.00	(29,096.00)	197,904.00	186,912.69	10,991.31
Other Objects	50,000.00	1,900.00	51,900.00	34,678.31	17,221.69
Total Regular Programs	8,597,193.00	50,643.05	8,647,836.05	7,939,116.87	708,719.18

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	\$ 59,750.00	\$ -	\$ 59,750.00	\$ 59,323.00	\$ 427.00
General Supplies	6,250.00	-	6,250.00	5,763.13	486.87
Total Behavioral Disabilities	<u>66,000.00</u>	<u>-</u>	<u>66,000.00</u>	<u>65,086.13</u>	<u>913.87</u>
Multiple Disabilities:					
Salaries of Teachers	118,200.00	2,328.00	120,528.00	120,528.00	-
Other Salaries for Instruction	128,500.00	(2,328.00)	126,172.00	97,426.20	28,745.80
Purchased Professional Educational Services	54,000.00	33,000.00	87,000.00	78,542.51	8,457.49
General Supplies	36,900.00	2,196.91	39,096.91	38,796.68	300.23
Total Multiple Disabilities	<u>337,600.00</u>	<u>35,196.91</u>	<u>372,796.91</u>	<u>335,293.39</u>	<u>37,503.52</u>
Resource Room / Resource Center:					
Salaries of Teachers	1,200,000.00	-	1,200,000.00	1,146,152.45	53,847.55
General Supplies	41,140.00	(2,000.00)	39,140.00	36,235.54	2,904.46
Textbooks	7,600.00	-	7,600.00	5,922.23	1,677.77
Other Objects	3,000.00	-	3,000.00	1,114.78	1,885.22
Total Resource Room / Resource Center	<u>1,251,740.00</u>	<u>(2,000.00)</u>	<u>1,249,740.00</u>	<u>1,189,425.00</u>	<u>60,315.00</u>
Home Instruction:					
Salaries of Teachers	40,000.00	-	40,000.00	23,820.43	16,179.57
Purchased Professional Educational Services	32,000.00	6,496.00	38,496.00	18,073.86	20,422.14
Total Home Instruction	<u>72,000.00</u>	<u>6,496.00</u>	<u>78,496.00</u>	<u>41,894.29</u>	<u>36,601.71</u>
Total Special Education - Instruction	<u>1,727,340.00</u>	<u>39,692.91</u>	<u>1,767,032.91</u>	<u>1,631,698.81</u>	<u>135,334.10</u>
School Sponsored Cocurricular Activities - Instruction:					
Salaries	182,600.00	-	182,600.00	168,074.92	14,525.08
Purchased Services (300-500 series)	24,750.00	-	24,750.00	22,121.28	2,628.72
Supplies and Materials	152,300.00	-	152,300.00	98,697.32	53,602.68
Total School Sponsored Cocurricular Activities - Instruction	<u>359,650.00</u>	<u>-</u>	<u>359,650.00</u>	<u>288,893.52</u>	<u>70,756.48</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	\$ 354,000.00	\$ -	\$ 354,000.00	\$ 320,479.00	\$ 33,521.00
Purchased Services (300-500 series)	59,380.00	-	59,380.00	32,934.10	26,445.90
Supplies and Materials	172,756.00	20,229.84	192,985.84	136,156.94	56,828.90
Other Objects	105,179.00	-	105,179.00	49,634.69	55,544.31
Total School Sponsored Athletics - Instruction	<u>691,315.00</u>	<u>20,229.84</u>	<u>711,544.84</u>	<u>539,204.73</u>	<u>172,340.11</u>
Total Instruction	<u>11,375,498.00</u>	<u>110,565.80</u>	<u>11,486,063.80</u>	<u>10,398,913.93</u>	<u>1,087,149.87</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	226,000.00	-	226,000.00	182,591.46	43,408.54
Tuition to County Voc. School Dist. - Regular	408,000.00	59,158.00	467,158.00	467,158.00	-
Tuition to County Voc. School Dist. - Special	173,400.00	18,622.00	192,022.00	192,022.00	-
Tuition to CSSD and Reg. Day Schools	2,824,451.00	(435,191.00)	2,389,260.00	1,590,886.73	798,373.27
Tuition to Private Schools for the Disabled - Within State	1,940,261.00	23,618.46	1,963,879.46	1,826,226.08	137,653.38
Tuition - State Facilities	81,931.00	-	81,931.00	81,931.00	-
Tuition - Other	50,000.00	43,303.00	93,303.00	93,303.00	-
Total Undistributed Expenditures - Instruction	<u>5,704,043.00</u>	<u>(290,489.54)</u>	<u>5,413,553.46</u>	<u>4,434,118.27</u>	<u>979,435.19</u>
Undistributed Expenditures - Attendance and Social Work:					
Salaries	117,600.00	-	117,600.00	115,414.00	2,186.00
Purchased Professional and Technical Services	6,000.00	(1,500.00)	4,500.00	1,097.94	3,402.06
Supplies and Materials	1,200.00	1,500.00	2,700.00	2,291.24	408.76
Total Undistributed Expenditures - Attendance and Social Work	<u>124,800.00</u>	<u>-</u>	<u>124,800.00</u>	<u>118,803.18</u>	<u>5,996.82</u>
Undistributed Expenditures - Health Services:					
Salaries	152,500.00	-	152,500.00	150,913.00	1,587.00
Purchased Professional and Technical Services	40,000.00	-	40,000.00	36,482.90	3,517.10
Supplies and Materials	23,300.00	-	23,300.00	15,938.59	7,361.41
Total Undistributed Expenditures - Health Services	<u>215,800.00</u>	<u>-</u>	<u>215,800.00</u>	<u>203,334.49</u>	<u>12,465.51</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist Expend - Other Supp Serv Student-Related Serv:					
Purchased Professional - Educational Services	\$ 122,000.00	\$ 118,208.00	\$ 240,208.00	\$ 240,141.03	\$ 66.97
Supplies and Materials	4,800.00	(2,100.00)	2,700.00	2,647.48	52.52
Total Undist Expend-Other Supp Serv Students-Related Serv.	<u>126,800.00</u>	<u>116,108.00</u>	<u>242,908.00</u>	<u>242,788.51</u>	<u>119.49</u>
Undist Expend. - Other Supp Serv Students-Reg:					
Salaries of Other Professional Staff	600,000.00	-	600,000.00	589,112.88	10,887.12
Supplies and Materials	40,000.00	-	40,000.00	27,212.04	12,787.96
Other Objects	400.00	-	400.00	175.00	225.00
Total Undist Expend - Other Supp Serv Students-Reg	<u>640,400.00</u>	<u>-</u>	<u>640,400.00</u>	<u>616,499.92</u>	<u>23,900.08</u>
Undist Expend - Other Supp Serv Students-Spl:					
Salaries of Other Professional Staff	289,000.00	-	289,000.00	283,239.36	5,760.64
Purchased Professional - Educational Services	20,000.00	-	20,000.00	12,305.00	7,695.00
Supplies and Materials	22,700.00	-	22,700.00	10,034.35	12,665.65
Other Objects	2,500.00	-	2,500.00	-	2,500.00
Total Undist Expend - Other Supp Serv Students-Spl	<u>334,200.00</u>	<u>-</u>	<u>334,200.00</u>	<u>305,578.71</u>	<u>28,621.29</u>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	622,721.00	-	622,721.00	594,143.93	28,577.07
Total Undist Expend - Improvement of Inst Serv	<u>622,721.00</u>	<u>-</u>	<u>622,721.00</u>	<u>594,143.93</u>	<u>28,577.07</u>
Undist Expend - Edu Media Serv/Sch Library:					
Salaries	224,500.00	-	224,500.00	221,076.00	3,424.00
Purchased Professional and Technical Services	15,000.00	-	15,000.00	-	15,000.00
Supplies and Materials	71,250.00	499.70	71,749.70	70,482.82	1,266.88
Total Undist Expend Edu Media Serv/Sch Library	<u>310,750.00</u>	<u>499.70</u>	<u>311,249.70</u>	<u>291,558.82</u>	<u>19,690.88</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 15,000.00	\$ 1,174.00	\$ 16,174.00	\$ 16,174.00	\$ -
Other Purchased Services (400 - 500 Series)	20,000.00	(1,174.00)	18,826.00	17,019.35	1,806.65
Total Undist Expend - Instructional Staff Training Serv	<u>35,000.00</u>	<u>-</u>	<u>35,000.00</u>	<u>33,193.35</u>	<u>1,806.65</u>
Undist Expend - Support Serv - Gen Admin:					
Salaries	258,500.00	-	258,500.00	254,078.48	4,421.52
Legal Services	82,000.00	38,544.00	120,544.00	47,870.22	72,673.78
Audit Fees	46,000.00	-	46,000.00	44,500.00	1,500.00
Communications / Telephone	80,000.00	-	80,000.00	24,168.09	55,831.91
BOE Other Purchased Services	6,000.00	-	6,000.00	1,922.23	4,077.77
BOE In-House Training/Meeting Supplies	1,800.00	-	1,800.00	1,109.81	690.19
Miscellaneous Expenditures	24,500.00	-	24,500.00	23,654.27	845.73
BOE Membership Dues and Fees	25,000.00	-	25,000.00	15,330.15	9,669.85
Total Undist Expend - Support Serv - Gen Admin	<u>523,800.00</u>	<u>38,544.00</u>	<u>562,344.00</u>	<u>412,633.25</u>	<u>149,710.75</u>
Undist Expend - Support Serv - School Admin:					
Salaries of Principals / Assistant Principals	333,700.00	-	333,700.00	333,675.95	24.05
Salaries of Other Professional Staff	118,700.00	-	118,700.00	118,649.00	51.00
Salaries of Secretarial and Clerical Assistants	548,700.00	(39,113.00)	509,587.00	481,047.17	28,539.83
Supplies and Materials	17,650.00	10,000.00	27,650.00	23,823.77	3,826.23
Other Objects	13,200.00	-	13,200.00	11,462.00	1,738.00
Total Undist Expend - Support Serv - School Admin	<u>1,031,950.00</u>	<u>(29,113.00)</u>	<u>1,002,837.00</u>	<u>968,657.89</u>	<u>34,179.11</u>
Undistributed Expenditures - Central Services:					
Salaries	407,999.00	28,643.00	436,642.00	408,535.98	28,106.02
Purchased Professional Services	40,000.00	(7,000.00)	33,000.00	26,936.10	6,063.90
Supplies and Materials	91,000.00	(46,244.01)	44,755.99	40,432.86	4,323.13
Other Object	120,000.00	61.00	120,061.00	81,960.50	38,100.50
Total Undistributed Expenditures - Central Services	<u>658,999.00</u>	<u>(24,540.01)</u>	<u>634,458.99</u>	<u>557,865.44</u>	<u>76,593.55</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Admin Info Technology:					
Salaries	\$ 257,900.00	\$ -	\$ 257,900.00	\$ 243,224.80	\$ 14,675.20
Purchased Technical Services	57,000.00	-	57,000.00	51,351.21	5,648.79
Supplies and Materials	60,100.00	52.00	60,152.00	58,996.44	1,155.56
Total Undistributed Expenditures - Admin Info Technology	<u>375,000.00</u>	<u>52.00</u>	<u>375,052.00</u>	<u>353,572.45</u>	<u>21,479.55</u>
Undist Expend - Required Maint for Sch Facil:					
Salaries	357,750.00	-	357,750.00	330,611.47	27,138.53
Cleaning, Repair and Maintenance Services	300,000.00	113,183.00	413,183.00	228,288.34	184,894.66
General Supplies	150,000.00	40,000.00	190,000.00	172,247.85	17,752.15
Total Undist Expend - Required Maint for Sch Facil	<u>807,750.00</u>	<u>153,183.00</u>	<u>960,933.00</u>	<u>731,147.66</u>	<u>229,785.34</u>
Undist Expend - Oth Oper & Maint of Plant:					
Salaries	905,000.00	(1,012.00)	903,988.00	840,743.35	63,244.65
Purchased Professional and Technical Services	255,000.00	(15,000.00)	240,000.00	231,406.01	8,593.99
Cleaning, Repair and Maintenance Services	200,000.00	(105,000.00)	95,000.00	64,394.92	30,605.08
Other Purchased Property Services	140,000.00	-	140,000.00	85,798.72	54,201.28
Insurance	195,000.00	-	195,000.00	165,507.00	29,493.00
General Supplies	125,000.00	-	125,000.00	97,723.63	27,276.37
Energy (Heat and Electricity)	925,000.00	(50,000.00)	875,000.00	557,441.78	317,558.22
Other Objects	46,000.00	-	46,000.00	36,748.36	9,251.64
Total Undist Expend - Oper & Maint of Plant	<u>2,791,000.00</u>	<u>(171,012.00)</u>	<u>2,619,988.00</u>	<u>2,079,763.77</u>	<u>540,224.23</u>
Undistributed Expenditures - Student Transportation Services:					
Management Fee - ESC & STSA Trans. Programs	42,400.00	-	42,400.00	-	42,400.00
Contr Serv. Aid in Lieu of Payments - Non Public Sch	63,000.00	(5,000.00)	58,000.00	4,513.29	53,486.71
Contracted Services - (Between Home and School) - Vendors	937,400.00	-	937,400.00	930,966.18	6,433.82
Contr Serv. - (Other than Between Home and School) - Vendors	137,100.00	-	137,100.00	121,178.57	15,921.43
Contracted Services (Special Education Students) - Vendors	40,000.00	-	40,000.00	24,765.83	15,234.17
Contracted Services (Special Education Students) - Joint Agrmnts.	21,000.00	(3,600.00)	17,400.00	-	17,400.00
Contracted Services (Regular Students) - ESC's & CTSA's	110,000.00	3,600.00	113,600.00	113,598.73	1.27
Contracted Services (Special Ed. Students) - ESC's & CTSA's	736,000.00	-	736,000.00	623,262.95	112,737.05
Total Undistributed Expenditures - Student Transportation Services	<u>2,086,900.00</u>	<u>(5,000.00)</u>	<u>2,081,900.00</u>	<u>1,818,285.55</u>	<u>263,614.45</u>

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RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Unallocated Benefits:					
Social Security Contributions	\$ 362,000.00	\$ -	\$ 362,000.00	\$ 295,463.84	\$ 66,536.16
Other Retirement Contributions - Regular	325,000.00	-	325,000.00	298,842.00	26,158.00
Workment's Compensation	210,000.00	-	210,000.00	198,639.73	11,360.27
Health Benefits	4,774,000.00	47,656.00	4,821,656.00	3,053,148.72	1,768,507.28
Tuition Reimbursement	66,000.00	-	66,000.00	28,344.77	37,655.23
Other Employee Benefits	38,500.00	-	38,500.00	15,285.00	23,215.00
Total Unallocated Benefits	<u>5,775,500.00</u>	<u>47,656.00</u>	<u>5,823,156.00</u>	<u>3,889,724.06</u>	<u>1,933,431.94</u>
On-Behalf TPAF Pension Contributions (non budgeted)	-	-	-	1,139,101.00	(1,139,101.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	795,603.01	(795,603.01)
Total On-behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,934,704.01</u>	<u>(1,934,704.01)</u>
Total Undistributed Expenditures	<u>22,165,413.00</u>	<u>(164,111.85)</u>	<u>22,001,301.15</u>	<u>19,586,373.26</u>	<u>2,414,927.89</u>
Total Current Expense	<u>33,540,911.00</u>	<u>(53,546.05)</u>	<u>33,487,364.95</u>	<u>29,985,287.19</u>	<u>3,502,077.76</u>
Capital Outlay:					
Interest Deposit to Capital Reserve	<u>5,000.00</u>	<u>-</u>	<u>5,000.00</u>	<u>-</u>	<u>5,000.00</u>
Equipment					
Non Instruction	<u>-</u>	<u>320,000.00</u>	<u>320,000.00</u>	<u>13,588.89</u>	<u>306,411.11</u>
Total Equipment	<u>-</u>	<u>320,000.00</u>	<u>320,000.00</u>	<u>13,588.89</u>	<u>306,411.11</u>
Facilities Acquisition and Construction Services:					
Construction Services	-	25,381.77	25,381.77	25,381.77	-
Lease Purchase Agreement - Principal	<u>333,000.00</u>	<u>-</u>	<u>333,000.00</u>	<u>333,000.00</u>	<u>-</u>
Total Facilities Acquisition and Construction Services	<u>333,000.00</u>	<u>25,381.77</u>	<u>358,381.77</u>	<u>358,381.77</u>	<u>-</u>
Total Capital Outlay	<u>338,000.00</u>	<u>345,381.77</u>	<u>683,381.77</u>	<u>371,970.66</u>	<u>311,411.11</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Special Schools (Cont'd):					
Other Special Schools - Instruction:					
Salaries of Teachers	\$ 111,854.00	\$ -	\$ 111,854.00	\$ 111,853.98	\$ 0.02
Purchased Professional and Technical Services	1,150,000.00	6,682.54	1,156,682.54	1,055,182.46	101,500.08
General Supplies	15,175.00	(5,147.85)	10,027.15	9,907.05	120.10
Total Other Special Schools - Instruction	1,277,029.00	1,534.69	1,278,563.69	1,176,943.49	101,620.20
Other Special Schools - Support Services:					
Personal Services Employee Benefits	18,500.00	-	18,500.00	-	18,500.00
Other Purchased Service (400-500 series)	14,800.00	(911.00)	13,889.00	13,402.50	486.50
Supplies and Materials	2,300.00	896.92	3,196.92	3,056.20	140.72
Other Objects	1,211.00	127,201.98	128,412.98	112,119.83	16,293.15
Total Other Special Schools - Support Services	36,811.00	127,187.90	163,998.90	128,578.53	35,420.37
Total Special Schools	1,313,840.00	128,722.59	1,442,562.59	1,305,522.02	137,040.57
Total Expenditures	35,192,751.00	420,558.31	35,613,309.31	31,662,779.87	3,950,529.44
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,212,515.00)	(300,950.69)	(2,513,465.69)	4,212,575.81	6,726,041.50
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,212,515.00)	(300,950.69)	(2,513,465.69)	4,212,575.81	6,726,041.50
Fund Balances, July 1	9,488,824.62	-	9,488,824.62	9,488,824.62	-
Fund Balances, June 30	<u>\$ 7,276,309.62</u>	<u>\$ -</u>	<u>\$ 6,975,358.93</u>	<u>\$ 13,701,400.43</u>	<u>\$ 6,726,041.50</u>
Recapitulation:					
Restricted:					
Emergency Reserve				\$ 351,914.00	
Capital Reserve				3,698,529.71	
Excess Surplus - Current Year				3,920,836.69	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				4,097,780.53	
Assigned:					
Year-End Encumbrances				749,095.51	
Designated for Subsequent Year's Expenditures				128,279.47	
Unassigned				754,964.52	
				<u>13,701,400.43</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
June State Aid Payments not recognized on GAAP basis				(1,372,491.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 12,328,909.43</u>	

RANCOCAS VALLEY REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule - Education Jobs Fund
 General Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Federal Sources:					
Education Jobs Fund	\$ 559,606.00	\$ 17,531.00	\$ 577,137.00	\$ 577,137.00	-
Total - Federal Sources	<u>559,606.00</u>	<u>17,531.00</u>	<u>577,137.00</u>	<u>577,137.00</u>	<u>-</u>
Total Revenues	<u>559,606.00</u>	<u>17,531.00</u>	<u>577,137.00</u>	<u>577,137.00</u>	<u>-</u>
EXPENDITURES:					
Current Expense:					
Undist Expend - Support Serv - School Admin:					
Salaries of Secretarial and Clerical Assistants	421,000.00	(29,113.00)	391,887.00	391,887.00	-
Total Undist Expend - Support Serv - School Admin	<u>421,000.00</u>	<u>(29,113.00)</u>	<u>391,887.00</u>	<u>391,887.00</u>	<u>-</u>
Undist Expend - Oth Oper & Maint of Plant:					
Salaries	138,606.00	(1,012.00)	137,594.00	137,594.00	-
Total Undist Expend - Oper & Maint of Plant	<u>138,606.00</u>	<u>(1,012.00)</u>	<u>137,594.00</u>	<u>137,594.00</u>	<u>-</u>
Unallocated Benefits:					
Health Benefits	-	47,656.00	47,656.00	47,656.00	-
Total Unallocated Benefits	<u>-</u>	<u>47,656.00</u>	<u>47,656.00</u>	<u>47,656.00</u>	<u>-</u>
Total Current Expense	<u>559,606.00</u>	<u>17,531.00</u>	<u>577,137.00</u>	<u>577,137.00</u>	<u>-</u>
Total Expenditures	<u>559,606.00</u>	<u>17,531.00</u>	<u>577,137.00</u>	<u>577,137.00</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Federal Sources:					
Title I	\$ 96,000.00	\$ 68,315.20	\$ 164,315.20	\$ 164,315.20	\$ -
Title IIA	-	40,114.00	40,114.00	40,113.99	(0.01)
I.D.E.I.A., Part B	<u>350,000.00</u>	<u>110,777.00</u>	<u>460,777.00</u>	<u>460,777.00</u>	<u>-</u>
Total - Federal Sources	<u>446,000.00</u>	<u>219,206.20</u>	<u>665,206.20</u>	<u>665,206.19</u>	<u>(0.01)</u>
Total Revenues	<u>446,000.00</u>	<u>219,206.20</u>	<u>665,206.20</u>	<u>665,206.19</u>	<u>(0.01)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	96,000.00	77,656.20	173,656.20	173,656.19	0.01
Tuition	350,000.00	110,777.00	460,777.00	460,777.00	-
Supplies and Materials	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>
Total Instruction	<u>446,000.00</u>	<u>188,434.20</u>	<u>634,434.20</u>	<u>634,434.19</u>	<u>0.01</u>
Support Services:					
Personal Services - Employee Benefits	-	26,772.00	26,772.00	26,772.00	-
Purchased Professional and Technical Services	<u>-</u>	<u>4,000.00</u>	<u>4,000.00</u>	<u>4,000.00</u>	<u>-</u>
Total Support Services	<u>-</u>	<u>30,772.00</u>	<u>30,772.00</u>	<u>30,772.00</u>	<u>-</u>
Capital Outlay:					
Building Renovations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>446,000.00</u>	<u>219,206.20</u>	<u>665,206.20</u>	<u>665,206.19</u>	<u>0.01</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2012

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 35,875,355.68	\$ 665,206.19
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		27,782.43
Current Year		(1,600.00)
The June State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2011	1,312,337.00	
The June State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2012	<u>(1,372,491.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 35,815,201.68</u>	<u>\$ 691,388.62</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 31,662,779.87	\$ 665,206.19
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior Year		27,782.43
Current Year		<u>(1,600.00)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 31,662,779.87</u>	<u>\$ 691,388.62</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2012

	<u>Total</u>	<u>N.C.L.B.</u>			<u>I.D.E.I.A. Part B, Basic 2011-2012</u>
		<u>Title I 2010-2011</u>	<u>Title I 2011-2012</u>	<u>Title II Part A 2011-2012</u>	
REVENUES:					
Federal Sources	\$ 665,206.19	\$ 39,792.20	\$ 124,523.00	\$ 40,113.99	\$ 460,777.00
State Sources	-	-	-	-	-
Total Revenues	665,206.19	39,792.20	124,523.00	40,113.99	460,777.00
EXPENDITURES:					
Instruction:					
Salaries of Teachers	173,656.19	39,792.20	103,769.00	30,094.99	-
Tuition	460,777.00	-	-	-	460,777.00
Supplies and Materials	1.00	-	1.00	-	-
Total Instruction	634,434.19	39,792.20	103,770.00	30,094.99	460,777.00
Support Services:					
Personal Services - Employee Benefits	26,772.00	-	20,753.00	6,019.00	-
Purchased Professional and Technical Services	4,000.00	-	-	4,000.00	-
Total Support Services	30,772.00	-	20,753.00	10,019.00	-
Capital Outlay:					
Building Renovations	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-
Total Expenditures	\$ 665,206.19	\$ 39,792.20	\$ 124,523.00	\$ 40,113.99	\$ 460,777.00

CAPITAL PROJECTS FUND

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2012

<u>Project Title / Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Canceled</u>	<u>Unexpended Balance June 30, 2012</u>
			<u>Prior Years</u>	<u>Current Year</u>		
The Construction of additions to the existing buildings at the Rancocas Valley Regional High School District complex in the approximate aggregate size of 89,000 square feet to house classrooms, a gymnasium, a performing arts building and other facilities; (ii) the expansion of the existing cafeteria and the completion of alterations and renovations at the existing buildings in the complex; (iii) the construction of athletic facilities and a field house on property of the School District located along Smithville-Jacksonville Road in the Township of Eastampton (Block 700, Lot 9, on the official Township tax map); (iv) the completion of such other improvements as may be necessary or appropriate to make said additions, alterations and improvements compatible with the existing facilities; (v) the completion of site work and other related items at said locations; (vi) the acquisition of furniture, fixtures and equipment for said new additions, alterations and improvements; and (vii) to pay a portion of the costs and expenses related to the issuance, sales and delivery of the Bonds.	6/15/1999	\$ 26,000,000.00	\$ 25,899,033.85	\$ -	\$ 100,966.15	\$ (0.00)
The Completion of various upgrades, renovations and improvements at the Rancocas Valley Regional High School, including, but not limited to the replacement, repair and/or improvements to the roof on the main building, cafeteria, gymnasium and portion of Building "E"; replacement of concrete sidewalks and curbing, and resurfacing of driveways and parking lots; and (ii) the completion of such other improvements and work as may be necessary to make the upgrades, renovations and improvements compatible with the existing facilities;	4/15/2008	<u>2,483,000.00</u>	<u>2,120,724.59</u>	<u>5,300.00</u>	<u>202,559.85</u>	<u>154,415.56</u>
		<u>\$ 28,483,000.00</u>	<u>\$ 28,019,758.44</u>	<u>\$ 5,300.00</u>	<u>\$ 303,526.00</u>	<u>\$ 154,415.56</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
 For the Fiscal Year Ended June 30, 2012

Revenues and Other Financing Sources	
State Sources - SCC Grant	\$ -
Bond Proceeds and Transfers	(303,526.00)
Refund of Prior Years Expenditures	-
Contributions from Private Source	-
Transfer from Capital Reserve	-
Transfer from Capital Outlay	-
	-
Total Revenues	(303,526.00)
 Expenditures and Other Financing Uses	
Construction Services	5,300.00
Total Expenditures	5,300.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(308,826.00)
Fund Balance - July 1	463,241.56
Fund Balance - June 30	\$ 154,415.56

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Additions to the Existing Buildings at the High School
 From Inception and for the Fiscal Year Ended June 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant				
Bond Proceeds and Transfers	\$ 26,000,000.00	\$ (100,966.15)	\$ 25,899,033.85	\$ 25,899,033.85
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<u>26,000,000.00</u>	<u>(100,966.15)</u>	<u>25,899,033.85</u>	<u>25,899,033.85</u>
Total Revenues				
Expenditures and Other Financing Uses				
Construction Services	<u>25,899,033.85</u>	<u>-</u>	<u>25,899,033.85</u>	<u>25,899,033.85</u>
	<u>25,899,033.85</u>	<u>-</u>	<u>25,899,033.85</u>	<u>25,899,033.85</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 100,966.15</u>	<u>\$ (100,966.15)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		NA		
Grant Date		NA		
Bond Authorization Date		6/15/1999		
Bonds Authorized	26,000,000.00			
Bonds Issued	26,000,000.00			
Original Authorized Cost	26,000,000.00			
Additional Authorized Cost	(100,966.15)			
Revised Authorized Cost	25,899,033.85			
Percentage Increase over Original Authorized Cost		-0.39%		
Percentage Completion		100.00%		
Original Target Completion Date		9/1/2002		
Revised Target Completion Date		NA		

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Various Repairs and Improvements to School Roof, Sidewalks, and Parking Lot
 From Inception and for the Fiscal Year Ended June 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant				
Bond Proceeds and Transfers	\$ 2,483,000.00	\$ (202,559.85)	\$ 2,280,440.15	\$ 2,280,440.15
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
	<u>2,483,000.00</u>	<u>(202,559.85)</u>	<u>2,280,440.15</u>	<u>2,280,440.15</u>
Total Revenues	<u>2,483,000.00</u>	<u>(202,559.85)</u>	<u>2,280,440.15</u>	<u>2,280,440.15</u>
Expenditures and Other Financing Uses				
Construction Services	<u>2,120,724.59</u>	<u>5,300.00</u>	<u>2,126,024.59</u>	<u>2,280,440.15</u>
	<u>2,120,724.59</u>	<u>5,300.00</u>	<u>2,126,024.59</u>	<u>2,280,440.15</u>
Total Expenditures	<u>2,120,724.59</u>	<u>5,300.00</u>	<u>2,126,024.59</u>	<u>2,280,440.15</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 362,275.41</u>	<u>\$ (207,859.85)</u>	<u>\$ 154,415.56</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		NA		
Grant Date		NA		
Bond Authorization Date		4/15/2008		
Bonds Authorized	2,483,000.00			
Bonds Issued	2,483,000.00			
Original Authorized Cost	2,483,000.00			
Additional Authorized Cost	(202,559.85)			
Revised Authorized Cost	2,280,440.15			
Percentage Increase over Original Authorized Cost		-8.16%		
Percentage Completion		93.23%		
Original Target Completion Date		9/1/2009		
Revised Target Completion Date		NA		

PROPRIETARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Enterprise Fund

Combining Statement of Net Assets

June 30, 2012

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 77,702.22
Accounts Receivable:	
State	177.24
Federal	6,876.78
Interfund Receivable	35,977.23
Inventories	<u>10,843.75</u>
Total Current Assets	<u>131,577.22</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	96,941.79
Less Accumulated Depreciation	<u>(67,371.41)</u>
Total Noncurrent Assets	<u>29,570.38</u>
Total Assets	<u>161,147.60</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	<u>32,300.18</u>
Total Liabilities	<u>32,300.18</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	29,570.38
Unrestricted	<u>99,277.04</u>
Total Net Assets	<u>\$ 128,847.42</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
 For the Fiscal Year Ended June 30, 2012

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 186,950.00
Daily Sales - Non-Reimbursable Programs	495,027.81
	681,977.81
OPERATING EXPENSES:	
Salaries	327,760.23
Employee Benefits	80,103.10
Supplies and Materials	33,435.34
Depreciation	9,487.37
Cost of Sales	313,080.31
Uniforms & Laundry	3,925.02
Management Fees	37,572.47
Insurance	24,116.62
Professional Fees	6,500.00
Miscellaneous	20,652.20
	856,632.66
Total Operating Expenses	856,632.66
Operating Income / (Loss)	(174,654.85)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	4,924.99
Federal Sources:	
National School Lunch Program	148,029.56
National School Breakfast Program	23,890.14
Food Distribution Program	20,116.00
Interest Revenue	264.15
	264.15
Total Nonoperating Revenues (Expenses)	197,224.84
Change in Net Assets	22,569.99
Net Assets -- July 1	106,277.43
Net Assets -- June 30	\$ 128,847.42

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2012

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 681,977.81
Payments to Employees	(327,760.23)
Payments for Employee Benefits	(80,103.10)
Payments to Suppliers	<u>(433,153.51)</u>
Net Cash Provided by (used for) Operating Activities	<u>(159,039.03)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Interfund	(35,977.23)
State and Federal Sources	<u>178,914.26</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>142,937.03</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>264.15</u>
Net Cash Provided by (used for) Investing Activities	<u>264.15</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(15,837.85)
Cash and Cash Equivalents -- July 1	<u>93,540.07</u>
Cash and Equivalents -- June 30	<u><u>\$ 77,702.22</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (174,654.85)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	9,487.37
Food Distribution Program	20,116.00
(Increase) Decrease in Inventories	(1,681.93)
Increase (Decrease) in Accounts Payable	<u>(12,305.62)</u>
Total Adjustments	<u>15,615.82</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (159,039.03)</u></u>

FIDUCIARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2012

	<u>Trust Funds</u>	<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:				
Cash and Cash Equivalents	\$ 840,137.94	\$ 416,812.43	\$ 117,528.63	\$ 1,374,479.00
Total Assets	<u>840,137.94</u>	<u>416,812.43</u>	<u>117,528.63</u>	<u>1,374,479.00</u>
LIABILITIES:				
Interfund Payable			\$ 5,000.00	\$ 5,000.00
Payable to Student Groups		\$ 416,812.43		416,812.43
Payroll Deductions and Withholdings			112,528.63	112,528.63
Total Liabilities	<u>-</u>	<u>\$ 416,812.43</u>	<u>\$ 117,528.63</u>	<u>534,341.06</u>
NET ASSETS:				
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 840,137.94</u>			<u>840,137.94</u>
Total Net Assets	<u>\$ 840,137.94</u>			<u>\$ 840,137.94</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2012

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan Member	\$ 55,003.01
Investment Earnings:	
Interest	1,690.19
Total Additions	56,693.20
DEDUCTIONS:	
Quarterly Contribution Reports	13,978.12
Unemployment Claims	91,868.03
Total Deductions	105,846.15
Change in Net Assets	(49,152.95)
Net Assets -- July 1	889,290.89
Net Assets -- June 30	\$ 840,137.94

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2012</u>
ACTIVITY				
High School	<u>\$ 355,750.69</u>	<u>\$ 1,077,378.94</u>	<u>\$ 1,016,317.20</u>	<u>\$ 416,812.43</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2012

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
ASSETS:				
Cash and Cash Equivalents	\$ 209,719.99	\$ 15,659,931.56	\$ 15,752,122.92	\$ 117,528.63
Total Assets	<u>\$ 209,719.99</u>	<u>\$ 15,659,931.56</u>	<u>\$ 15,752,122.92</u>	<u>\$ 117,528.63</u>
LIABILITIES:				
Interfund Payable	\$ 76,315.99		\$ 71,315.99	\$ 5,000.00
Payroll Deductions and Withholdings	133,404.00	\$ 6,421,816.01	6,442,691.38	112,528.63
Net Payroll	<u>-</u>	<u>9,238,115.55</u>	<u>9,238,115.55</u>	
Total Liabilities	<u>\$ 209,719.99</u>	<u>\$ 15,659,931.56</u>	<u>\$ 15,752,122.92</u>	<u>\$ 117,528.63</u>

LONG-TERM DEBT

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2012

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2012</u>
			<u>Date</u>	<u>Amount</u>				
School District Bonds Series								
2005	2/10/2005	\$ 21,170,000.00	2/1/2013	\$ 825,000.00	3.500%			
			2/1/2014	820,000.00	4.000%			
			2/1/2015	815,000.00	4.000%			
			2/1/2016	845,000.00	4.000%			
			2/1/2017	875,000.00	4.000%			
			2/1/2018	905,000.00	4.250%			
			2/1/2019	945,000.00	4.250%			
			2/1/2020	980,000.00	4.000%			
			2/1/2021	1,015,000.00	4.500%			
			2/1/2022	1,060,000.00	4.750%			
			2/1/2023	1,110,000.00	4.750%			
			2/1/2024	1,160,000.00	4.750%			
			2/1/2025	1,215,000.00	4.250%			
			2/1/2026	1,265,000.00	4.250%			
			2/1/2027	1,310,000.00	4.350%			
			2/1/2028	1,365,000.00	4.375%			
			2/1/2029	1,410,000.00	4.375%	\$ 18,750,000.00	\$ 830,000.00	\$ 17,920,000.00
2008	6/11/2008	2,483,000.00	8/1/2012	230,000.00	3.250%			
			8/1/2013	235,000.00	3.250%			
			8/1/2014	245,000.00	3.250%			
			8/1/2015	255,000.00	3.250%			
			8/1/2016	270,000.00	3.500%			
			8/1/2017	280,000.00	3.500%			
			8/1/2018	288,000.00	3.500%			
						<u>2,023,000.00</u>	<u>220,000.00</u>	<u>1,803,000.00</u>
						<u>\$ 20,773,000.00</u>	<u>\$ 1,050,000.00</u>	<u>\$ 19,723,000.00</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2012

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2011 (a)</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2012 (a)</u>
			<u>Principal</u>	<u>Interest</u>				
Building, Eastampton	10/27/2008	5	\$ 1,665,000.00	N/A	N/A	<u>\$ 999,000.00</u>	<u>\$ 333,000.00</u>	<u>\$ 666,000.00</u>

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 776,476.00	\$ -	\$ 776,476.00	\$ 776,476.00	\$ -
State Sources:					
Debt Service Aid Type II	828,062.00	-	828,062.00	828,062.00	-
Other Sources:					
Transfer from Capital Projects Fund	<u>303,526.00</u>	<u>-</u>	<u>303,526.00</u>	<u>303,526.00</u>	<u>-</u>
Total Revenues	<u>1,908,064.00</u>	<u>-</u>	<u>1,908,064.00</u>	<u>1,908,064.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	866,009.00	-	866,009.00	866,008.76	0.24
Redemption of Principal	<u>1,050,000.00</u>	<u>-</u>	<u>1,050,000.00</u>	<u>1,050,000.00</u>	<u>-</u>
Total Expenditures	<u>1,916,009.00</u>	<u>-</u>	<u>1,916,009.00</u>	<u>1,916,008.76</u>	<u>0.24</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,945.00)</u>	<u>-</u>	<u>(7,945.00)</u>	<u>(7,944.76)</u>	<u>0.24</u>
Other Financing Sources:					
Interest Earned in Capital Projects Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>890.62</u>	<u>890.62</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>890.62</u>	<u>890.62</u>
Net Change in Fund Balances	(7,945.00)	-	(7,945.00)	(7,054.14)	890.86
Fund Balance, July 1	<u>9,010.67</u>	<u>-</u>	<u>9,010.67</u>	<u>9,010.67</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,065.67</u>	<u>\$ -</u>	<u>\$ 1,065.67</u>	<u>\$ 1,956.53</u>	<u>\$ 890.86</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	<u>\$ (7,945.00)</u>	<u>\$ -</u>	<u>\$ (7,945.00)</u>	<u>\$ (7,054.14)</u>	<u>\$ 890.86</u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Net Assets by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	1,921,826.80	1,991,539.59	2,858,561.55	3,007,276.73	3,233,526.18	1,346,244.25	2,135,523.63	4,672,846.05	5,668,890.61	6,090,106.55
Restricted	8,215,019.04	7,347,374.16	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29	9,264,873.16	13,204,316.26
Unrestricted	284,823.36	73,677.71	(176,250.85)	(116,957.82)	(97,784.79)	(53,481.86)	(915,754.91)	(919,216.03)	(659,899.05)	(780,790.63)
Total governmental activities net assets	<u>10,421,669.20</u>	<u>9,412,591.46</u>	<u>9,579,348.19</u>	<u>9,997,369.06</u>	<u>11,552,317.34</u>	<u>13,247,719.04</u>	<u>14,998,290.47</u>	<u>12,399,839.31</u>	<u>14,273,864.72</u>	<u>18,513,632.18</u>
Business-type activities										
Invested in capital assets, net of related debt	49,551.37	62,663.86	54,362.42	46,060.84	38,188.30	46,088.43	39,696.48	48,477.10	39,057.75	29,570.38
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	450,427.35	76,787.23	121,404.18	151,362.56	151,638.11	136,268.61	113,182.77	92,249.33	67,219.68	99,277.04
Total business-type activities net assets	<u>499,978.72</u>	<u>139,451.09</u>	<u>175,766.60</u>	<u>197,423.40</u>	<u>189,826.41</u>	<u>182,357.04</u>	<u>152,879.25</u>	<u>140,726.43</u>	<u>106,277.43</u>	<u>128,847.42</u>
District-wide										
Invested in capital assets, net of related debt	1,971,378.17	2,054,203.45	2,912,923.97	3,053,337.57	3,271,714.48	1,392,332.68	2,175,220.11	4,721,323.15	5,707,948.36	6,119,676.93
Restricted	8,215,019.04	7,347,374.16	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29	9,264,873.16	13,204,316.26
Unrestricted	735,250.71	150,464.94	(54,846.67)	34,404.74	53,853.32	82,786.75	(802,572.14)	(826,966.70)	(592,679.37)	(681,513.59)
Total district net assets	<u>10,921,647.92</u>	<u>9,552,042.55</u>	<u>9,755,114.79</u>	<u>10,194,792.46</u>	<u>11,742,143.75</u>	<u>13,430,076.08</u>	<u>15,151,169.72</u>	<u>12,540,565.74</u>	<u>14,380,142.15</u>	<u>18,642,479.60</u>

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

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities										
Instruction										
Regular	7,138,919.23	7,373,751.98	7,781,723.36	8,431,834.82	8,867,727.29	9,230,253.82	9,784,520.81	10,227,748.53	9,499,959.00	9,284,651.40
Special education	958,740.98	1,147,074.10	1,103,466.24	1,230,949.66	1,178,302.60	1,298,755.30	1,408,101.80	1,616,906.28	1,694,153.33	1,674,090.44
Other special education	22,174.00	22,159.00	22,174.00	22,082.70	22,174.00	22,174.00	-	-	-	-
Other instruction	725,066.53	818,429.27	817,540.67	891,922.45	978,134.11	1,024,266.18	1,097,408.86	1,059,119.15	915,100.76	828,098.25
Support Services:										
Tuition	2,762,352.07	3,395,567.68	3,676,608.37	3,426,094.50	3,966,086.66	4,153,593.17	3,756,706.59	3,943,862.35	4,315,637.40	4,434,118.27
Student & instruction related services	2,082,681.74	2,022,700.97	2,440,364.23	2,561,532.70	2,764,575.27	2,802,097.07	3,016,823.43	3,013,646.39	2,477,619.45	2,465,855.34
General administration	-	-	610,239.13	723,549.49	643,470.38	523,835.30	545,977.91	524,204.33	532,803.58	412,633.25
School Administrative services	1,013,307.61	1,426,516.31	1,133,628.56	1,152,523.58	1,248,279.11	1,192,734.44	1,369,316.06	1,456,541.96	1,050,437.10	1,053,441.15
Central Services	-	-	424,904.45	476,892.85	554,366.95	634,325.40	572,608.19	531,312.48	522,478.71	557,865.44
Administrative information technology	-	-	319,447.77	372,597.48	323,760.33	353,878.15	375,199.35	353,623.61	364,460.04	353,572.45
General and Business Administrative Services	1,213,503.29	1,379,483.77	2,690.72	-	-	-	-	-	-	-
Plant operations and maintenance	2,044,667.67	2,054,569.89	2,265,415.25	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27	2,987,311.09	2,810,911.43
Pupil transportation	1,649,388.85	1,789,387.06	1,844,293.68	1,868,809.69	1,888,005.30	2,056,501.34	2,064,380.23	1,909,355.33	1,789,861.82	1,818,285.55
Unallocated Benefits	3,230,129.11	3,846,398.88	4,243,800.96	4,715,728.29	5,327,081.98	5,844,103.56	5,254,834.91	6,035,074.37	6,586,712.41	5,839,054.48
Special Schools	804,844.06	983,992.55	1,006,984.55	1,077,796.32	1,225,237.67	1,326,638.97	1,303,293.98	1,462,259.36	1,231,686.64	1,305,522.02
Interest on long-term debt	1,266,300.73	1,217,226.91	1,317,853.96	1,028,004.85	993,747.21	962,678.83	1,002,704.84	968,381.30	937,535.65	900,676.25
Unallocated depreciation	355,419.00	449,382.75	541,465.00	311,334.00	231,889.00	177,394.02	183,507.86	174,144.25	170,406.85	133,112.00
Total governmental activities expenses	<u>25,267,494.87</u>	<u>27,926,641.12</u>	<u>29,552,600.90</u>	<u>30,827,275.46</u>	<u>32,767,795.26</u>	<u>34,604,096.06</u>	<u>34,810,816.88</u>	<u>36,345,757.96</u>	<u>35,076,163.83</u>	<u>33,871,887.72</u>
Business-type activities:										
Food service	643,120.35	766,611.89	839,803.50	914,238.31	976,720.18	944,937.90	948,145.86	918,956.02	880,500.33	856,632.66
Total business-type activities expense	<u>643,120.35</u>	<u>766,611.89</u>	<u>839,803.50</u>	<u>914,238.31</u>	<u>976,720.18</u>	<u>944,937.90</u>	<u>948,145.86</u>	<u>918,956.02</u>	<u>880,500.33</u>	<u>856,632.66</u>
Total district expenses	<u>25,910,615.22</u>	<u>28,693,253.01</u>	<u>30,392,404.40</u>	<u>31,741,513.77</u>	<u>33,744,515.44</u>	<u>35,549,033.96</u>	<u>35,758,962.74</u>	<u>37,264,713.98</u>	<u>35,956,664.16</u>	<u>34,728,520.38</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	162,105.34	124,716.31	142,897.50	164,287.82	215,525.58	307,140.02	330,439.33	315,961.52	351,836.85	377,626.56
Special Schools	656,857.20	743,140.25	823,660.73	943,819.86	1,046,667.28	1,115,304.80	1,124,401.18	1,201,518.54	1,169,576.37	1,183,637.20
Operating grants and contributions	1,725,193.18	1,993,227.55	2,126,891.18	2,376,221.23	3,069,024.40	3,308,379.45	2,287,967.99	2,472,004.83	2,363,513.10	2,626,092.63
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>2,544,155.72</u>	<u>2,861,084.11</u>	<u>3,093,449.41</u>	<u>3,484,328.91</u>	<u>4,331,217.26</u>	<u>4,730,824.27</u>	<u>3,742,808.50</u>	<u>3,989,484.89</u>	<u>3,884,926.32</u>	<u>4,187,356.39</u>
Business-type activities:										
Charges for services										
Food service	649,227.85	744,467.72	791,548.08	826,625.50	843,960.69	794,932.84	750,630.24	705,936.24	654,189.90	681,977.81
Operating grants and contributions	51,009.92	59,016.79	82,229.39	101,308.55	117,075.69	136,421.17	166,672.17	199,888.54	191,676.58	196,960.69
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>700,237.77</u>	<u>803,484.51</u>	<u>873,777.47</u>	<u>927,934.05</u>	<u>961,036.38</u>	<u>931,354.01</u>	<u>917,302.41</u>	<u>905,824.78</u>	<u>845,866.48</u>	<u>878,938.50</u>
Total district program revenues	<u>3,244,393.49</u>	<u>3,664,568.62</u>	<u>3,967,226.88</u>	<u>4,412,262.96</u>	<u>5,292,253.64</u>	<u>5,662,178.28</u>	<u>4,660,110.91</u>	<u>4,895,309.67</u>	<u>4,730,792.80</u>	<u>5,066,294.89</u>
Net (Expense)/Revenue										
Governmental activities	(22,723,339.15)	(25,065,557.01)	(26,459,151.49)	(27,342,946.55)	(28,436,578.00)	(29,873,271.79)	(31,068,008.38)	(32,356,273.07)	(31,191,237.51)	(29,684,531.33)
Business-type activities	57,117.42	36,872.62	33,973.97	13,695.74	(15,683.80)	(13,583.89)	(30,843.45)	(13,131.24)	(34,633.85)	22,305.84
Total district-wide net expense	<u>(22,666,221.73)</u>	<u>(25,028,684.39)</u>	<u>(26,425,177.52)</u>	<u>(27,329,250.81)</u>	<u>(28,452,261.80)</u>	<u>(29,886,855.68)</u>	<u>(31,098,851.83)</u>	<u>(32,369,404.31)</u>	<u>(31,225,871.36)</u>	<u>(29,662,225.49)</u>

(Continued)

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

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	7,051,799.00	9,112,187.00	10,983,632.00	12,111,206.00	14,225,203.00	15,429,674.00	14,913,835.00	14,913,835.00	15,110,388.00	15,412,596.00
Taxes levied for debt service	446,003.00	444,895.00	896,612.00	777,079.00	761,784.00	752,249.00	731,366.00	892,863.00	1,078,684.00	776,476.00
Federal and State Aid Not Restricted	13,318,519.95	14,038,818.20	14,551,949.00	14,425,334.00	14,495,170.00	14,941,320.00	16,927,299.16	13,585,250.98	16,207,419.27	17,249,007.02
Federal and State Aid Restricted	84,241.99	-	-	-	-	-	-	40,302.90	373,863.10	-
Miscellaneous income	221,808.62	60,579.59	268,015.22	447,348.43	533,528.59	445,430.49	246,079.65	325,570.03	294,908.55	486,219.77
Special Items	(16,344,347.01)	400,000.00	(74,300.00)	-	(24,159.31)	-	-	-	-	-
Total governmental activities	<u>4,778,025.55</u>	<u>24,056,479.79</u>	<u>26,625,908.22</u>	<u>27,760,967.43</u>	<u>29,991,526.28</u>	<u>31,568,673.49</u>	<u>32,818,579.81</u>	<u>29,757,821.91</u>	<u>33,065,262.92</u>	<u>33,924,298.79</u>
Business-type activities:										
Miscellaneous income	3,343.86	2,599.75	2,341.54	7,961.06	8,086.81	6,114.52	1,365.66	978.42	184.85	264.15
Special Items	-	(400,000.00)	-	-	-	-	-	-	-	-
Total business-type activities	<u>3,343.86</u>	<u>(397,400.25)</u>	<u>2,341.54</u>	<u>7,961.06</u>	<u>8,086.81</u>	<u>6,114.52</u>	<u>1,365.66</u>	<u>978.42</u>	<u>184.85</u>	<u>264.15</u>
Total district-wide	<u>4,781,369.41</u>	<u>23,659,079.54</u>	<u>26,628,249.76</u>	<u>27,768,928.49</u>	<u>29,999,613.09</u>	<u>31,574,788.01</u>	<u>32,819,945.47</u>	<u>29,758,800.33</u>	<u>33,065,447.77</u>	<u>33,924,562.94</u>
Change in Net Assets										
Governmental activities	(17,945,313.60)	(1,009,077.22)	166,756.73	418,020.88	1,554,948.28	1,695,401.70	1,750,571.43	(2,598,451.16)	1,874,025.41	4,239,767.46
Business-type activities	60,461.28	(360,527.63)	36,315.51	21,656.80	(7,596.99)	(7,469.37)	(29,477.79)	(12,152.82)	(34,449.00)	22,569.99
Total district	<u>(17,884,852.32)</u>	<u>(1,369,604.85)</u>	<u>203,072.24</u>	<u>439,677.68</u>	<u>1,547,351.29</u>	<u>1,687,932.33</u>	<u>1,721,093.64</u>	<u>(2,610,603.98)</u>	<u>1,839,576.41</u>	<u>4,262,337.45</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011 (1)	2012
General Fund										
Reserved	5,852,027.33	5,662,137.03	6,296,120.70	6,576,047.20	7,947,264.22	9,256,688.08	11,597,690.89	8,043,180.16		
Unreserved	718,897.77	147,073.48	(65,573.20)	4,428.32	47,203.61	87,899.19	(766,190.31)	(790,811.11)		
Restricted									8,337,845.30	12,069,060.93
Assigned									349,903.63	877,374.98
Unassigned									(511,261.31)	(617,526.48)
Total general fund	<u>6,570,925.10</u>	<u>5,809,210.51</u>	<u>6,230,547.50</u>	<u>6,580,475.52</u>	<u>7,994,467.83</u>	<u>9,344,587.27</u>	<u>10,831,500.58</u>	<u>7,252,369.05</u>	<u>8,176,487.62</u>	<u>12,328,909.43</u>
All Other Governmental Funds										
Reserved	559,830.80	90,346.80	36,941.69	44,512.91	36,280.28	39,393.80	28,124.95	43,791.80		
Unreserved, reported in:										
Special revenue fund	(6,782.95)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)		
Capital projects fund	1,760,766.70	1,521,884.10	486,265.91	416,255.03	361,582.11	2,577,293.21	2,056,404.96	472,691.56		
Debt service fund		20,894.89	28,466.11	20,233.48	23,347.21	12,078.15	27,744.57	7,943.90		
Permanent fund	49,177.16	54,460.49	51,592.23	52,350.68	50,451.28	71,852.56	68,556.38	78,601.87		
Restricted									561,077.43	241,833.55
Assigned									16,046.80	16,046.80
Total all other governmental funds	<u>2,362,991.71</u>	<u>1,685,237.13</u>	<u>600,916.79</u>	<u>531,002.95</u>	<u>469,311.73</u>	<u>2,698,268.57</u>	<u>2,180,830.86</u>	<u>603,029.13</u>	<u>577,124.23</u>	<u>257,880.35</u>

(1) In accordance with GASB 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify fund Balance was changed. See the notes to the financial statements.

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

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax levy	\$ 7,497,802.00	9,557,082.00	11,880,244.00	12,888,285.00	14,986,987.00	16,181,923.00	15,645,201.00	15,806,698.00	16,189,072.00	16,189,072.00
Tuition charges	818,962.54	867,856.56	966,558.23	1,108,107.68	1,262,192.86	1,422,444.82	1,454,840.51	1,517,480.06	1,521,413.22	1,561,263.76
Miscellaneous	300,808.62	110,579.59	269,146.54	445,693.14	535,066.49	445,971.94	249,963.53	315,524.54	264,172.78	487,364.57
State sources	14,505,522.45	15,414,743.68	16,028,573.55	16,155,748.93	16,894,164.54	17,536,525.88	18,477,564.74	12,638,176.18	17,815,815.17	18,602,048.01
Federal sources	543,432.67	567,302.07	650,266.63	645,806.30	670,029.86	713,173.57	737,702.41	3,459,382.53	1,145,611.42	1,273,051.64
Total revenue	<u>23,666,528.28</u>	<u>26,517,563.90</u>	<u>29,794,788.95</u>	<u>31,243,641.05</u>	<u>34,348,440.75</u>	<u>36,300,039.21</u>	<u>36,565,272.19</u>	<u>33,737,261.31</u>	<u>36,936,084.59</u>	<u>38,112,799.98</u>
Expenditures										
Instruction										
Regular Instruction	6,514,998.32	6,916,228.08	7,534,437.20	8,060,427.14	8,526,257.20	8,791,668.57	9,339,991.97	9,606,513.37	8,816,536.99	8,573,551.06
Special education instruction	943,235.98	1,093,285.97	1,078,077.36	1,196,656.28	1,145,388.46	1,266,044.96	1,374,810.32	1,580,363.04	1,653,952.03	1,631,698.81
Other special instruction	22,174.00	22,159.00	22,174.00	22,082.70	22,174.00	22,174.00	-	-	-	-
Other instruction	725,066.53	818,429.27	817,540.67	891,922.46	978,134.11	1,024,266.18	1,097,408.86	1,059,119.15	915,100.76	828,098.25
Support Services:										
Tuition	2,762,352.07	3,395,567.68	3,676,608.37	3,426,094.50	3,966,086.66	4,153,593.17	3,756,706.59	3,943,862.35	4,315,637.40	4,434,118.27
Student & inst. related services	2,082,681.74	2,022,700.97	2,440,364.23	2,561,532.70	2,764,575.27	2,802,097.07	3,016,823.43	3,013,646.39	2,477,619.45	2,465,855.34
General administration	-	-	610,239.13	723,549.49	643,470.38	523,835.30	545,977.91	524,204.33	532,803.58	412,633.25
School administrative services	982,296.61	1,318,940.05	1,082,850.80	1,083,936.81	1,182,450.82	1,192,734.44	1,302,733.09	1,383,455.47	970,034.51	968,657.89
Central services	-	-	424,904.45	476,892.86	554,366.95	634,325.40	572,608.19	531,312.48	522,478.71	557,865.44
Admin. information technology	-	-	319,447.77	372,597.48	323,760.33	353,878.15	375,199.35	353,623.61	364,460.04	353,572.45
Other Admin. Services	1,213,503.29	1,379,483.77	2,690.72	-	-	-	-	-	-	-
Plant operations and maintenance	2,044,667.67	2,054,569.89	2,265,415.25	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27	2,987,311.09	2,810,911.43
Pupil transportation	1,649,388.85	1,789,387.06	1,844,293.68	1,868,809.69	1,888,005.30	2,056,501.34	2,064,380.23	1,909,355.33	1,789,861.82	1,818,285.55
Unallocated Benefits	3,230,129.11	3,846,398.88	4,243,800.96	4,705,019.80	5,303,479.72	5,847,710.91	5,246,651.36	6,056,234.05	6,566,479.59	5,824,428.07
Special Schools	804,844.06	983,992.55	1,006,984.55	1,077,796.32	1,225,237.67	1,261,218.30	1,303,293.98	1,462,259.36	1,231,686.64	1,305,522.02
Capital outlay	5,365,556.06	964,661.27	1,113,562.84	272,300.36	242,576.23	636,455.92	2,586,474.11	2,599,438.41	957,847.95	377,270.66
Debt service:										
Principal	710,000.00	710,000.00	710,000.00	710,000.00	710,000.00	710,000.00	710,000.00	830,000.00	1,050,000.00	1,050,000.00
Interest and other charges	1,264,209.00	1,226,579.00	1,188,949.00	980,041.50	963,681.26	926,051.26	888,421.26	981,274.45	900,165.01	866,008.76
Total expenditures	<u>30,315,103.29</u>	<u>28,542,383.44</u>	<u>30,382,340.98</u>	<u>30,965,282.17</u>	<u>32,994,601.76</u>	<u>35,203,421.48</u>	<u>37,256,912.71</u>	<u>38,904,240.06</u>	<u>36,051,975.57</u>	<u>34,278,477.25</u>
Excess (Deficiency) of revenues over (under) expenditures	(6,648,575.01)	(2,024,819.54)	(587,552.03)	278,358.88	1,353,838.99	1,096,617.73	(691,640.52)	(5,166,978.75)	884,109.02	3,834,322.73
Other Financing sources (uses)										
Estimated Arbitrage Payment			(74,300.00)							
Proceeds of Refunding Bonds			20,170,000.00							
Deferred Loss on Defeasance of Bonds			(1,267,378.69)							
Cost of Issuance -- Refunding Bonds			(229,151.11)							
Premium -- Refunding Bonds			209,529.80							
Payment to Refunded Bond Escrow Account			(18,883,000.00)							
Proceeds from Issuance of Bonds						2,483,000.00				
Capital Leases	401,019.00	585,350.37					1,665,000.00			
Increase (Decrease) in Market Value of Permanent Fund Investments			(1,131.32)	1,655.29	(1,537.90)	(541.45)	(3,883.88)	728.00	1,104.65	(1,144.80)
Contributions								9,317.49	13,000.00	
Transfers in	239,999.69	20,894.89	28,466.11	20,233.09	23,346.36	12,076.72	27,744.83	7,943.63	1,066.78	304,416.62
Transfers out	(239,999.69)	(20,894.89)	(28,466.11)	(20,233.09)	(23,346.36)	(12,076.72)	(27,744.83)	(7,943.63)	(1,066.78)	(304,416.62)
Total other financing sources (uses)	<u>401,019.00</u>	<u>585,350.37</u>	<u>(75,431.32)</u>	<u>1,655.29</u>	<u>(1,537.90)</u>	<u>2,482,458.55</u>	<u>1,661,116.12</u>	<u>10,045.49</u>	<u>14,104.65</u>	<u>(1,144.80)</u>
Net change in fund balances	<u>(6,247,556.01)</u>	<u>(1,439,469.17)</u>	<u>(662,983.35)</u>	<u>280,014.17</u>	<u>1,352,301.09</u>	<u>3,579,076.28</u>	<u>969,475.60</u>	<u>(5,156,933.26)</u>	<u>898,213.67</u>	<u>3,833,177.93</u>
Debt service as a percentage of noncapital expenditures	7.91%	7.02%	6.49%	5.51%	5.11%	4.73%	4.61%	4.99%	5.56%	5.65%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 General Fund - Other Local Revenue By Source
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Tuition	818,962.54	867,856.56	966,558.23	1,108,107.68	1,262,192.86	1,422,444.82	1,454,840.51	1,591,708.06	1,521,413.22	1,561,263.76
Interest on Investments	73,973.83	39,378.16	160,567.35	328,301.66	419,562.61	328,916.12	130,145.40	117,653.45	20,537.47	24,223.57
Student Activity Fee										75,411.99
E-Rate					32,681.69	26,807.94	14,130.10	10,080.00	19,731.00	
Vending Machine Revenue					21,000.00					
Dodge Foundation	60,000.00	11,255.09	46,512.86	9,659.94	5,683.91					
Miscellaneous	8,579.93	24,405.05	24,201.49	54,956.14	30,653.42	38,728.43	16,506.08	25,670.79	69,626.24	137,536.84
Refund of Prior Year Expenditures	16,575.43	6,863.07	8,635.67	15,479.15			47,849.42	33,468.67	89,927.61	142,635.49
Wordsworth Academy				15,460.00						
Lockheed Martin Grant						15,000.00	10,000.00	33,000.00	33,000.00	33,000.00
ISTE Int'l Soc. Tech.									15,000.00	53,897.00
NJSBIG Safety Grant									14,165.00	
NJSBEC - Grant								13,480.00		
Pandemic Grant										18,988.00
FEMA									16,631.12	
Virtua Donation	19,000.00									
Prudential Insurance	20,554.34									
	<u>1,017,646.07</u>	<u>949,757.93</u>	<u>1,206,475.60</u>	<u>1,531,964.57</u>	<u>1,771,774.49</u>	<u>1,831,897.31</u>	<u>1,673,471.51</u>	<u>1,825,060.97</u>	<u>1,800,031.66</u>	<u>2,046,956.65</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Years
 Unaudited

1

Year	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax ^b
Eastampton													
2012	8,970,300	439,853,860	3,333,000	440,400	25,622,300	4,450,000	36,900,000	519,569,860	614,257	520,184,117	74,867,300	496,153,126	0.379
2011	8,052,300	437,550,860	4,101,000	453,000	25,752,300	4,405,000	36,900,000	517,214,460	625,015	517,839,475	74,597,300	506,149,928	0.376
2010	8,230,300	438,491,560	4,101,000	457,600	28,423,300	4,405,000	36,900,000	521,008,760	778,297	521,787,057	73,813,200	515,465,254	0.373
2009	8,193,100	439,228,360	4,251,000	457,600	28,706,000	4,405,000	36,900,000	522,141,060	769,323	522,910,383	72,797,100	534,014,423	0.350
2008	8,672,100	437,682,600	4,642,000	461,600	30,941,000	2,655,000	36,900,000	521,954,300	678,643	522,632,943	49,922,600	526,968,749	0.364
2007	9,364,100	437,165,100	4,726,600	462,300	29,141,000	2,655,000	36,900,000	520,414,100	689,304	521,083,404	49,031,700	492,594,001	0.376
2006	7,700,000	438,166,300	4,902,700	538,400	30,855,000	1,300,000	36,900,000	520,362,400	646,816	521,009,216	49,165,600	429,516,224	0.351
2005	4,162,629	211,389,792	3,772,120	471,064	12,873,907	615,000	16,415,700	249,700,212	461,738	250,161,950	25,502,902	378,376,127	0.644
2004	4,073,929	211,251,342	3,509,970	468,580	12,873,907	615,000	16,413,700	249,206,428	563,997	249,770,425	22,912,781	330,862,563	0.587
2003	4,088,274	211,133,762	3,509,970	468,580	12,639,907	615,000	16,412,700	248,868,193	688,755	249,556,948	17,767,781	293,946,373	0.519
Hainesport													
2012	7,072,400	359,354,600	4,916,000	321,000	40,490,733	26,969,900	247,500	439,372,133	723,220	440,095,353	16,960,900	823,623,985	0.559
2011	7,353,700	356,556,700	5,219,500	349,100	40,933,333	27,543,700	247,500	438,203,533	734,285	438,937,818	16,286,400	865,284,295	0.543
2010	7,509,600	355,461,900	5,618,900	221,300	42,825,433	28,180,100	247,500	440,064,733	835,159	440,899,892	15,613,500	884,588,474	0.525
2009	9,394,000	353,561,400	5,618,900	221,300	39,800,433	29,918,500	247,500	438,762,033	864,453	439,626,486	15,583,900	935,700,047	0.564
2008	9,168,000	351,430,400	5,768,600	221,300	39,889,933	29,918,500	247,500	436,644,233	844,818	437,489,051	15,425,600	895,510,227	0.533
2007	8,893,800	352,740,900	4,762,400	221,700	35,102,400	30,836,700	247,500	432,805,400	888,480	433,693,880	15,425,600	817,347,978	0.597
2006	10,628,000	340,352,400	5,157,900	223,200	40,020,700	27,174,900	247,500	423,804,600	1,002,720	424,807,320	15,218,500	701,924,862	0.546
2005	11,632,100	330,499,200	5,174,600	227,200	38,929,900	26,315,800	247,500	413,026,300	1,103,105	414,129,405	15,317,000	616,901,357	0.502
2004	16,369,100	297,968,800	5,174,600	227,200	37,834,700	26,315,800	247,500	384,137,700	1,462,728	385,600,428	15,532,600	512,564,875	0.455
2003	20,774,600	264,200,700	4,094,700	506,500	25,317,800	27,466,800	247,500	342,608,600	1,757,035	344,365,635	15,619,900	404,279,718	0.378
Lumberton													
2012	10,631,900	1,168,180,400	20,715,800	2,446,300	134,628,400	63,115,823	29,352,400	1,429,071,023	1,838,276	1,430,909,299	106,013,700	1,534,388,232	0.390
2011	11,087,100	1,180,483,600	20,403,100	2,002,800	132,617,800	63,115,823	28,954,400	1,438,664,623	2,000,688	1,440,665,311	102,092,000	1,445,992,334	0.358
2010	11,698,400	1,187,781,700	20,484,200	1,902,800	131,564,300	64,304,600	28,954,400	1,446,690,400	2,285,933	1,448,976,333	101,665,363	1,523,480,241	0.354
2009	11,597,000	1,190,946,000	20,915,300	1,923,700	127,543,600	64,941,400	28,954,400	1,446,821,400	2,245,784	1,449,067,184	101,216,800	1,566,514,606	0.319
2008	11,963,500	1,191,093,800	20,850,000	1,997,980	122,340,000	55,956,100	28,954,400	1,433,155,780	2,103,413	1,435,259,193	100,642,000	1,514,653,856	0.318
2007	12,793,600	1,194,523,300	19,555,800	1,980,100	115,446,100	57,422,000	30,929,800	1,432,650,700	2,115,070	1,434,765,770	99,789,700	1,301,375,968	0.320
2006	5,357,300	601,863,900	10,190,000	1,112,600	71,115,200	29,051,100	21,610,300	740,300,400	1,197,965	741,498,365	84,536,000	1,272,162,007	0.569
2005	10,342,300	576,900,100	9,314,100	1,199,500	63,004,800	29,140,800	21,610,300	711,511,900	1,448,392	712,960,292	81,127,600	1,058,709,552	0.499
2004	19,280,800	549,153,800	9,800,900	1,546,300	64,873,100	29,129,000	21,703,300	695,487,200	1,599,204	697,086,404	61,624,500	914,325,994	0.459
2003	17,124,900	519,517,900	10,271,300	1,622,500	62,063,600	29,129,000	21,703,300	661,432,500	1,837,735	663,270,235	49,999,600	790,915,385	0.397
Mount Holly													
2012	11,457,200	515,910,300	-	7,100	93,711,000	8,406,600	20,180,500	649,672,700	7,547,722	657,220,422	287,734,300	633,441,106	0.372
2011	11,413,200	515,471,900	-	7,100	95,095,200	8,460,000	20,587,900	651,035,300	7,829,084	658,864,384	290,989,500	672,902,539	0.369
2010	5,876,700	248,952,700	-	8,300	45,352,200	4,370,300	9,748,500	314,308,700	3,553,287	317,861,987	148,336,600	674,010,703	0.747
2009	5,901,800	248,239,500	-	8,300	44,879,100	4,485,300	9,748,500	313,262,500	3,444,405	316,706,905	148,105,800	692,020,480	0.774
2008	6,044,900	247,721,300	142,700	14,200	45,706,700	4,485,300	11,250,700	315,365,800	3,156,029	318,521,829	149,398,300	709,679,409	0.797
2007	6,168,700	248,390,800	142,700	14,200	44,018,800	4,847,700	11,395,400	314,978,300	3,649,818	318,628,118	149,642,000	642,521,772	0.771
2006	5,473,000	250,726,100	142,700	14,200	43,281,500	4,847,700	12,157,000	316,642,200	4,223,486	320,865,686	147,589,500	546,950,563	0.748
2005	5,096,400	252,580,800	142,700	14,200	44,469,300	4,847,700	12,151,900	319,303,000	5,138,701	324,441,701	144,268,300	471,409,535	0.635
2004	5,211,100	252,989,200	142,700	14,200	44,053,100	4,847,700	12,151,900	319,409,900	5,905,257	325,315,157	142,758,300	422,156,136	0.594
2003	5,091,100	252,961,000	142,700	14,200	45,097,500	4,847,700	12,429,800	320,584,000	6,745,323	327,329,323	142,283,200	384,596,131	0.494
Westampton													
2012	8,922,800	762,261,200	4,775,300	1,301,000	202,520,500	191,228,900	-	1,171,009,700	2,037,190	1,173,046,890	204,178,000	1,152,400,819	0.356
2011	11,867,200	762,879,400	5,198,300	1,309,800	194,915,400	192,508,100	-	1,168,678,200	2,084,423	1,170,762,623	203,366,800	1,168,604,406	0.358
2010	5,765,300	476,102,200	3,393,900	1,332,100	205,709,800	11,261,400	-	703,564,700	1,413,756	704,978,456	118,994,700	1,248,552,779	0.624
2009	9,594,800	471,418,100	3,393,900	1,335,000	197,854,500	11,261,400	-	694,857,700	1,398,525	696,256,225	118,686,000	1,258,699,814	0.645
2008	10,919,600	463,505,000	4,013,700	999,650	199,197,200	11,261,400	-	689,896,550	1,313,152	691,209,702	113,479,900	1,235,266,586	0.617
2007	11,196,200	456,815,600	4,214,100	1,043,250	187,973,100	11,261,400	-	672,503,650	1,342,566	673,846,216	110,583,500	1,128,558,828	0.665
2006	12,721,100	446,894,400	4,117,400	1,048,950	180,183,900	11,261,400	-	656,227,150	1,447,205	657,674,355	109,805,100	998,224,187	0.642
2005	13,891,500	417,541,700	4,220,700	1,094,650	172,621,100	11,261,400	-	620,631,050	1,675,960	622,307,010	107,922,800	864,337,817	0.576
2004	22,842,600	386,642,400	4,220,700	1,276,350	159,631,500	11,261,400	-	585,874,950	1,953,759	587,828,709	105,081,600	722,248,415	0.570
2003	21,696,200	348,376,700	4,245,600	1,263,750	159,655,500	11,261,400	-	546,519,150	2,131,007	548,650,157	104,917,600	604,915,541	0.462

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

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

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

Year	School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	(From J-6) Total Direct School Tax Rate	Local School District	Municipal	County	Fire District	
<u>Eastampton</u>								
2012	0.3547	0.0243	0.379	0.916	0.729	0.362	0.059	2.445
2011	0.358	0.018	0.376	0.912	0.712	0.371	0.059	2.430
2010	0.348	0.025	0.373	0.916	0.676	0.372	0.059	2.396
2009	0.330	0.020	0.350	0.916	0.631	0.388	0.058	2.343
2008	0.347	0.017	0.364	0.905	0.583	0.393	0.057	2.302
2007	0.359	0.017	0.376	0.956	0.568	0.396	0.057	2.353
2006	R 0.333	0.018	0.351	0.930	0.562	0.365	0.061	2.269
2005	0.605	0.039	0.644	1.778	1.074	0.691	0.110	4.297
2004	0.543	0.044	0.587	1.488	1.049	0.621	0.110	3.855
2003	0.495	0.024	0.519	1.392	1.029	0.601	0.107	3.648
<u>Hainesport</u>								
2012	0.523	0.036	0.559	1.761	0.502	0.709	-	3.531
2011	0.517	0.026	0.543	1.760	0.499	0.746	-	3.548
2010	0.490	0.035	0.525	1.709	0.491	0.761	-	3.486
2009	0.532	0.032	0.564	1.614	0.475	0.808	-	3.461
2008	0.508	0.025	0.533	1.584	0.481	0.792	-	3.390
2007	0.569	0.028	0.597	1.565	0.453	0.795	-	3.410
2006	0.518	0.028	0.546	1.544	0.433	0.732	-	3.255
2005	0.472	0.030	0.502	1.507	0.412	0.682	-	3.103
2004	0.421	0.034	0.455	1.517	0.349	0.625	-	2.946
2003	0.360	0.018	0.378	1.456	0.328	0.598	-	2.760
<u>Lumberton</u>								
2012	0.365	0.025	0.390	0.974	0.375	0.406	-	2.145
2011	0.341	0.017	0.358	0.951	0.358	0.381	-	2.048
2010	0.330	0.024	0.354	0.947	0.340	0.400	-	2.041
2009	0.301	0.018	0.319	0.932	0.323	0.411	-	1.985
2008	0.303	0.015	0.318	0.937	0.308	0.408	-	1.971
2007	R 0.305	0.015	0.320	0.948	0.268	0.383	-	1.919
2006	0.540	0.029	0.569	1.815	0.410	0.757	-	3.551
2005	0.469	0.030	0.499	1.806	0.406	0.677	-	3.388
2004	0.424	0.035	0.459	1.935	0.405	0.616	-	3.415
2003	0.379	0.018	0.397	1.470	0.346	0.607	-	2.820
<u>Mount Holly</u>								
2012	0.348	0.024	0.372	1.092	0.638	0.366	0.090	2.558
2011	R 0.351	0.018	0.369	1.068	0.597	0.387	0.090	2.511
2010	0.697	0.050	0.747	2.171	1.154	0.806	0.179	5.057
2009	0.730	0.044	0.774	2.127	1.155	0.830	0.173	5.059
2008	0.760	0.037	0.797	2.135	1.076	0.867	0.172	5.047
2007	0.735	0.036	0.771	2.077	1.002	0.849	0.172	4.871
2006	0.710	0.038	0.748	1.939	0.929	0.752	0.171	4.539
2005	0.597	0.038	0.635	1.753	0.848	0.664	0.169	4.069
2004	0.549	0.045	0.594	1.665	0.779	0.609	0.159	3.806
2003	0.471	0.023	0.494	1.514	0.800	0.602	0.148	3.558
<u>Westampton</u>								
2012	0.333	0.023	0.356	0.816	0.522	0.373	-	2.067
2011	R 0.341	0.017	0.358	0.804	0.498	0.379	-	2.039
2010	0.582	0.042	0.624	1.311	0.748	0.665	-	3.348
2009	0.609	0.036	0.645	1.225	0.631	0.688	-	3.189
2008	0.588	0.029	0.617	1.170	0.621	0.696	-	3.104
2007	0.634	0.031	0.665	1.169	0.554	0.703	-	3.091
2006	0.609	0.033	0.642	1.177	0.544	0.670	-	3.033
2005	0.541	0.035	0.576	1.137	0.504	0.635	-	2.852
2004	0.527	0.043	0.570	1.137	0.495	0.577	-	2.779
2003	0.440	0.022	0.462	1.142	0.484	0.562	-	2.650

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

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

	2012			2002		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Eastampton						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
East Coast Sherwood Village, LLC	21,500,000	1	4.13%	5,050,000	2	2.03%
East Coast Eastampton Apts, LLC	14,400,000	2	2.77%	7,300,000	1	2.93%
1170, Inc.	2,250,000	3	0.43%	2,150,000	4	0.86%
Charley's Other Brother	1,975,000	4	0.38%	1,369,000	5	0.55%
Compass Road, LLC	1,800,000	5	0.35%			
Pharmacy Development (CVS)	1,700,000	6	0.33%	1,100,000	6	0.44%
Inter Bro of Boilermaker Local 28, LLC	1,700,000	7	0.33%			
Sharbell Eastampton Corporation	1,436,000	8	0.28%			
Waste Management	1,418,000	9	0.27%	1,050,000	7	0.42%
Casano, Frank & Natalie % Lukoil	1,300,000	10	0.25%			
Sherwood Apartments				3,500,000	3	1.40%
G'Sell Moving and Storage				792,600	8	0.32%
Verizon - New Jersey				755,621	9	0.30%
Hitner Enterprises				719,680	10	0.29%
Total	49,479,000		9.51%	23,786,901		9.54%
Hainesport						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
DDRM Crossroads Plaza	6,462,900	1	1.47%			
South Hainesport Ind Trust	5,664,900	2	1.29%	4,494,900	2	1.47%
Berry Drive LLC	5,284,100	3	1.20%			
Mt. Laurel Rd LTD	3,332,200	4	0.76%	7,608,000	1	2.49%
Creek Crossing II	3,062,800	5	0.70%			
Arrow International	2,200,000	6	0.50%	2,578,000	3	0.84%
White Cap Inc.	1,731,500	7	0.39%			
Creek Crossing	1,570,700	8	0.36%			
Landmark Property Management, Inc	1,355,000	9	0.31%			
1521 Route 38, LLC	1,273,200	10	0.29%			
Kevin Scarborough				2,215,900	4	0.73%
Winzinger, Robert T & Anne H				2,014,300	5	0.66%
Verizon				1,918,100	6	0.63%
E.I.D. Associates				1,637,600	7	0.54%
Salvatore Sgroi				1,466,700	8	0.48%
David Feldman				1,186,200	9	0.39%
Irish American Associates				1,186,200	10	0.39%
Total	31,937,300		7.26%	26,305,900		8.62%

(Continued)

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

	2012			2002		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lumberton						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
CVS	31,950,000	1	2.23%	25,200,000	1	4.15%
The Estraugh	29,812,800	2	2.08%	10,785,000	2	1.77%
BF Saul Holding Ltd Partnership	14,172,600	3	0.99%	10,500,000	3	1.73%
Whitehall Apartment Associates	12,900,000	4	0.90%	8,500,000	4	1.40%
541 Associates, LLC	11,821,200	5	0.83%			
Mt. Holly By-Pass LLC	10,791,700	6	0.75%			
Newman Development Group of Hainesport	10,354,400	7	0.72%			
Wa-Mart	10,116,600	8	0.71%	2,436,000	9	0.40%
Evergreen I Associates, LLC	8,573,300	9	0.60%			
East Coast Lumberton Apartments	8,400,000	10	0.59%			
Lumberton Associates, LP				7,680,000	5	1.26%
Mt. Holly Associates, LLC				3,854,800	6	0.63%
Dorado Garden Apartments				3,800,000	7	0.63%
Aviation Industrial Realty				2,461,800	8	0.41%
Carlson Craft of NJ				2,400,000	10	0.39%
Total	148,892,600		10.41%	77,617,600		12.77%
Mount Holly						
<u>Taxpayer</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Value</u>	<u>Rank</u>	<u>Assessed Value</u>
Levine Properties, LP	12,967,000	1	1.97%	5,234,500	3	1.61%
Mount Holly Associates	11,675,000	2	1.78%	5,500,000	2	1.69%
Verizon	9,714,622	3	1.48%	8,390,139	1	2.58%
Virtua Memorial Hospital	6,907,800	4	1.05%	1,558,300	9	0.48%
Mt. Holly Equities	6,025,800	5	0.92%	1,992,300	5	0.61%
Richard A. Alaimo	4,000,200	6	0.61%	2,380,700	4	0.73%
Amcor Flexibles, Inc	3,605,200	7	0.55%			
K & S 100, LLC	2,609,500	8	0.40%			
Public Storage, Inc.	2,349,700	9	0.36%			
Mill Race, Inc	1,976,000	10	0.30%			
Rexam Medical Packaging				1,761,000	6	0.54%
E F & C Corp.				1,735,600	7	0.53%
Medford Leas/Estaugh Corp				1,733,100	8	0.53%
100 High Street Acquisition, LLC				1,328,500	10	0.41%
Total	61,830,822		9.41%	31,614,139		9.71%

(Continued)

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

	2012			2002		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Westampton						
<u>Taxpayer</u>						
Ikea Property, Inc.	36,250,000	1	3.09%	30,408,800	1	6.04%
BRE/EX Properties, LLC	18,138,400	2	1.55%			
Prologis-Macquarie	17,805,400	3	1.52%			
Rowan Technologies, Inc	17,702,800	4	1.51%	11,558,850	4	2.30%
Shri Sai Dev. LLC	17,569,300	5	1.50%			
Home Depot USA	12,981,800	6	1.11%	7,338,600	6	1.46%
100 Highland LLC	11,886,400	7	1.01%			
Edgewood Partners, LLC	10,498,900	8	0.90%			
Ruchi / SSN Westampton LLC	9,401,000	9	0.80%			
UHS of Hampton	9,379,500	10	0.80%	5,858,000	7	1.16%
The Dolan Group				13,722,400	3	2.73%
Brandywine Realty Trust				15,400,500	2	3.06%
H.A.T., Inc				9,178,000	5	1.82%
Kohl's Department Store				5,053,800	8	1.00%
ALS, Inc.				4,497,000	9	0.89%
Rose Hotel, LTD				3,130,800	10	0.62%
Total	<u>161,613,500</u>		<u>13.78%</u>	<u>106,146,750</u>		<u>21.08%</u>

Source: Municipal Tax Assessor

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Property Tax Levies and Collections

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		
		Amount	Percentage of Levy	Collections in Subsequent Years
<u>2012</u>				
Eastampton	1,943,247.50	1,943,247.50	12.00%	
Hainesport	2,387,059.80	2,387,059.80	14.74%	
Lumberton	5,164,088.15	5,164,088.15	31.90%	
Mount Holly	2,495,805.68	2,495,805.68	15.42%	
Westhampton	4,198,870.87	4,198,870.87	25.94%	
	<u>16,189,072.00</u>	<u>16,189,072.00</u>	<u>100.00%</u>	<u>-</u>
<u>2011</u>				
Eastampton	1,941,607.57	1,941,607.57	11.99%	
Hainesport	2,312,010.67	2,312,010.67	14.28%	
Lumberton	5,131,459.97	5,131,459.97	31.70%	
Mount Holly	2,398,524.03	2,398,524.03	14.82%	
Westhampton	4,405,469.76	4,405,469.76	27.21%	
	<u>16,189,072.00</u>	<u>16,189,072.00</u>	<u>100.00%</u>	<u>-</u>
<u>2010</u>				
Eastampton	1,829,530.80	1,829,530.80	11.57%	-
Hainesport	2,477,007.23	2,477,007.23	15.67%	-
Lumberton	4,614,774.74	4,614,774.74	29.20%	-
Mount Holly	2,392,247.24	2,392,247.24	15.13%	-
Westhampton	4,493,137.99	4,493,137.99	28.43%	-
	<u>15,806,698.00</u>	<u>15,806,698.00</u>	<u>100.00%</u>	<u>-</u>
<u>2009</u>				
Eastampton	1,903,150.83	1,903,150.83	12.16%	-
Hainesport	2,334,026.17	2,334,026.17	14.92%	-
Lumberton	4,576,768.80	4,576,768.80	29.25%	-
Mount Holly	2,563,357.53	2,563,357.53	16.38%	-
Westhampton	4,267,897.67	4,267,897.67	27.28%	-
	<u>15,645,201.00</u>	<u>15,645,201.00</u>	<u>100.00%</u>	<u>-</u>
<u>2008</u>				
Eastampton	1,960,285.24	1,960,285.24	12.11%	-
Hainesport	2,587,411.12	2,587,411.12	15.99%	-
Lumberton	4,590,046.32	4,590,046.32	28.37%	-
Mount Holly	2,565,366.65	2,565,366.65	15.85%	-
Westhampton	4,478,813.67	4,478,813.67	27.68%	-
	<u>16,181,923.00</u>	<u>16,181,923.00</u>	<u>100.00%</u>	<u>-</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Property Tax Levies and Collections

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended <u>June 30,</u> <u>2007</u>	Taxes Levied for <u>the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
Eastampton	1,827,739.60	1,827,739.60	12.20%	-
Hainesport	2,317,930.44	2,317,930.44	15.47%	-
Lumberton	4,218,001.31	4,218,001.31	28.14%	-
Mount Holly	2,399,930.94	2,399,930.94	16.01%	-
Westampton	4,223,384.71	4,223,384.71	28.18%	-
	<u>14,986,987.00</u>	<u>14,986,987.00</u>	<u>100.00%</u>	<u>-</u>
<u>2006</u>				
Eastampton	1,610,690.12	1,610,690.12	12.50%	-
Hainesport	2,078,070.56	2,078,070.56	16.12%	-
Lumberton	3,556,990.28	3,556,990.28	27.60%	-
Mount Holly	2,062,217.31	2,062,217.31	16.00%	-
Westampton	3,580,316.73	3,580,316.73	27.78%	-
	<u>12,888,285.00</u>	<u>12,888,285.00</u>	<u>100.00%</u>	<u>-</u>
<u>2005</u>				
Eastampton	1,465,120.33	1,465,120.33	12.33%	-
Hainesport	1,749,727.97	1,749,727.97	14.73%	-
Lumberton	3,200,556.77	3,200,556.77	26.94%	-
Mount Holly	2,111,232.90	2,111,232.90	17.77%	-
Westampton	3,353,606.03	3,353,606.03	28.23%	-
	<u>11,880,244.00</u>	<u>11,880,244.00</u>	<u>100.00%</u>	<u>-</u>
<u>2004</u>				
Eastampton	1,296,877.70	1,296,877.70	13.57%	-
Hainesport	1,301,023.92	1,301,023.92	13.61%	-
Lumberton	2,630,085.34	2,367,076.34	24.77%	263,009.00
Mount Holly	1,796,132.54	1,796,132.54	18.79%	-
Westampton	2,532,962.50	2,532,962.50	26.50%	-
	<u>9,557,082.00</u>	<u>9,294,073.00</u>	<u>97.25%</u>	<u>263,009.00</u>
<u>2003</u>				
Eastampton	1,045,457.40	1,045,457.40	13.94%	-
Hainesport	1,019,449.32	1,019,449.32	13.60%	-
Lumberton	1,974,530.65	1,974,530.65	26.33%	-
Mount Holly	1,513,598.91	1,513,598.91	20.19%	-
Westampton	1,944,765.72	1,944,765.72	25.94%	-
	<u>7,497,802.00</u>	<u>7,497,802.00</u>	<u>100.00%</u>	<u>-</u>

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

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities	Total District	Percentage of	
	General Obligation Bonds	Capital Leases	Capital Leases		Personal Income (1)	Per Capita (2)
2012						
Eastampton	2,129,583.82	71,911.11	-	2,201,494.93	Unavailable	Unavailable
Hainesport	3,596,514.65	121,445.96	-	3,717,960.62	Unavailable	Unavailable
Lumberton	6,320,570.83	213,431.03	-	6,534,001.86	Unavailable	Unavailable
Mount Holly	2,710,827.10	91,538.35	-	2,802,365.44	Unavailable	Unavailable
Westampton	4,965,503.61	167,673.55	-	5,133,177.16	Unavailable	Unavailable
	19,723,000.00	666,000.00	-	20,389,000.00		
2011						
Eastampton	2,249,893.30	108,200.23	-	2,358,093.53	Unavailable	Unavailable
Hainesport	3,860,903.11	185,675.74	-	4,046,578.85	Unavailable	Unavailable
Lumberton	6,517,859.79	313,452.17	-	6,831,311.96	Unavailable	Unavailable
Mount Holly	2,887,738.83	138,875.03	-	3,026,613.86	Unavailable	Unavailable
Westampton	5,256,604.98	252,796.82	-	5,509,401.80	Unavailable	Unavailable
	20,773,000.00	999,000.00	-	21,772,000.00		
2010						
Eastampton	2,357,401.61	143,887.59	-	2,501,289.21	0.87%	411.80
Hainesport	4,033,521.96	246,192.15	-	4,279,714.11	1.48%	699.87
Lumberton	6,852,955.85	418,280.58	-	7,271,236.44	1.22%	578.41
Mount Holly	3,065,119.46	187,084.23	-	3,252,203.69	0.72%	340.76
Westampton	5,514,001.11	336,555.45	-	5,850,556.56	1.40%	663.25
	21,823,000.00	1,332,000.00	-	23,155,000.00		
2009						
Eastampton	2,476,508.29	182,023.85	-	2,658,532.14	0.88%	407.25
Hainesport	4,172,981.51	306,714.97	-	4,479,696.48	1.62%	752.76
Lumberton	7,097,044.22	521,634.16	-	7,618,678.38	1.37%	637.17
Mount Holly	3,235,134.64	237,783.04	-	3,472,917.68	0.73%	339.48
Westampton	5,671,331.34	416,843.98	-	6,088,175.32	1.51%	702.94
	22,653,000.00	1,665,000.00	-	24,318,000.00		
2008						
Eastampton	2,585,071.06	13,435.60	-	2,598,506.66	0.84%	396.84
Hainesport	4,234,662.43	22,009.15	-	4,256,671.58	1.52%	714.81
Lumberton	7,367,434.79	38,291.36	-	7,405,726.15	1.32%	617.71
Mount Holly	3,367,033.11	17,499.75	-	3,384,532.86	0.70%	329.52
Westampton	5,808,798.61	30,190.53	-	5,838,989.15	1.44%	678.24
	23,363,000.00	121,426.39	-	23,484,426.39		
2007						
Eastampton	2,437,245.72	26,970.78	-	2,464,216.50	0.83%	377.48
Hainesport	3,857,267.95	42,684.87	-	3,899,952.81	1.43%	650.32
Lumberton	6,838,017.72	75,670.11	-	6,913,687.82	1.26%	572.80
Mount Holly	3,087,494.41	34,166.48	-	3,121,660.89	0.66%	301.76
Westampton	5,369,974.20	59,424.61	-	5,429,398.81	1.39%	632.06
	21,590,000.00	238,916.84	-	21,828,916.84		
2006						
Eastampton	2,578,916.00	52,848.95	-	2,631,764.95	0.91%	396.29
Hainesport	3,884,010.46	79,593.86	-	3,963,604.32	1.49%	649.88
Lumberton	7,090,431.69	145,302.09	-	7,235,733.78	1.36%	592.32
Mount Holly	3,225,690.10	66,103.10	-	3,291,793.20	0.72%	312.40
Westampton	5,520,951.76	113,139.21	-	5,634,090.97	1.49%	648.94
	22,300,000.00	456,987.21	-	22,756,987.21		
2005						
Eastampton	2,777,353.63	80,697.40	-	2,858,051.03	1.05%	428.94
Hainesport	3,838,613.93	111,532.85	-	3,950,146.78	1.60%	653.35
Lumberton	7,272,661.61	211,310.82	-	7,483,972.43	1.49%	609.00
Mount Holly	3,463,168.06	100,624.08	-	3,563,792.14	0.83%	336.75
Westampton	5,658,202.77	164,401.91	-	5,822,604.68	1.67%	680.05
	23,010,000.00	668,567.06	-	23,678,567.06		
2004						
Eastampton	2,818,730.21	111,851.27	-	2,930,581.48	1.11%	438.05
Hainesport	3,539,451.35	140,450.53	-	3,679,901.88	1.54%	608.75
Lumberton	6,985,841.22	277,208.24	-	7,263,049.46	1.50%	596.02
Mount Holly	3,609,918.61	143,246.77	-	3,753,165.38	0.89%	351.72
Westampton	5,479,058.61	217,416.94	-	5,696,475.55	1.72%	682.29
	22,433,000.00	890,173.75	-	23,323,173.75		
2003						
Eastampton	3,055,860.31	52,951.57	-	3,108,811.88	1.24%	469.54
Hainesport	3,484,027.49	60,370.79	-	3,544,398.28	1.65%	627.66
Lumberton	6,996,167.30	121,228.71	-	7,117,396.01	1.56%	593.36
Mount Holly	4,005,310.76	69,403.52	-	4,074,714.28	1.00%	380.71
Westampton	5,601,634.14	97,064.41	-	5,698,698.55	1.89%	717.63
	23,143,000.00	401,019.00	-	23,544,019.00		

(1) Personal income has been estimated based upon the municipal population and per capita
(2) Per Capita personal income by municipality-estimated based upon the 2000 Census published

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012					
Eastampton	2,129,583.82	-	2,129,583.82	Unavailable	Unavailable
Hainesport	3,596,514.65	-	3,596,514.65	Unavailable	Unavailable
Lumberton	6,320,570.83	-	6,320,570.83	Unavailable	Unavailable
Mount Holly	2,710,827.10	-	2,710,827.10	Unavailable	Unavailable
Westampton	4,965,503.61	-	4,965,503.61	Unavailable	Unavailable
	19,723,000.00	-	19,723,000.00		
2011					
Eastampton	2,249,893.30	-	2,249,893.30	0.43%	Unavailable
Hainesport	3,860,903.11	-	3,860,903.11	0.88%	Unavailable
Lumberton	6,517,859.79	-	6,517,859.79	0.45%	Unavailable
Mount Holly	2,887,738.83	-	2,887,738.83	0.44%	Unavailable
Westampton	5,256,604.98	-	5,256,604.98	0.45%	Unavailable
	20,773,000.00	-	20,773,000.00		
2010					
Eastampton	2,357,401.61	-	2,357,401.61	0.45%	388.11
Hainesport	4,033,521.96	-	4,033,521.96	0.91%	659.61
Lumberton	6,852,955.85	-	6,852,955.85	0.47%	545.14
Mount Holly	3,065,119.46	-	3,065,119.46	0.96%	321.16
Westampton	5,514,001.11	-	5,514,001.11	0.78%	625.10
	21,823,000.00	-	21,823,000.00		
2009					
Eastampton	2,476,508.29	-	2,476,508.29	0.47%	379.37
Hainesport	4,172,981.51	-	4,172,981.51	0.95%	701.22
Lumberton	7,097,044.22	-	7,097,044.22	0.49%	593.55
Mount Holly	3,235,134.64	-	3,235,134.64	1.02%	316.24
Westampton	5,671,331.34	-	5,671,331.34	0.81%	654.81
	22,653,000.00	-	22,653,000.00		
2008					
Eastampton	2,585,071.06	-	2,585,071.06	0.49%	394.79
Hainesport	4,234,662.43	-	4,234,662.43	0.97%	711.11
Lumberton	7,367,434.79	-	7,367,434.79	0.51%	614.52
Mount Holly	3,367,033.11	-	3,367,033.11	1.06%	327.82
Westampton	5,808,798.61	-	5,808,798.61	0.84%	674.74
	23,363,000.00	-	23,363,000.00		
2007					
Eastampton	2,437,245.72	-	2,437,245.72	0.47%	373.35
Hainesport	3,857,267.95	-	3,857,267.95	0.89%	643.20
Lumberton	6,838,017.72	-	6,838,017.72	0.48%	566.53
Mount Holly	3,087,494.41	-	3,087,494.41	0.97%	298.45
Westampton	5,369,974.20	-	5,369,974.20	0.80%	625.14
	21,590,000.00	-	21,590,000.00		
2006					
Eastampton	2,578,916.00	-	2,578,916.00	0.49%	388.33
Hainesport	3,884,010.46	-	3,884,010.46	0.91%	636.83
Lumberton	7,090,431.69	-	7,090,431.69	0.96%	580.42
Mount Holly	3,225,690.10	-	3,225,690.10	1.01%	306.13
Westampton	5,520,951.76	-	5,520,951.76	0.84%	635.91
	22,300,000.00	-	22,300,000.00		
2005					
Eastampton	2,777,353.63	-	2,777,353.63	1.11%	416.83
Hainesport	3,838,613.93	-	3,838,613.93	0.93%	634.90
Lumberton	7,272,661.61	-	7,272,661.61	1.02%	591.80
Mount Holly	3,463,168.06	-	3,463,168.06	1.07%	327.24
Westampton	5,658,202.77	-	5,658,202.77	0.91%	660.85
	23,010,000.00	-	23,010,000.00		
2004					
Eastampton	2,818,730.21	-	2,818,730.21	1.13%	421.33
Hainesport	3,539,451.35	-	3,539,451.35	0.92%	585.52
Lumberton	6,985,841.22	-	6,985,841.22	1.00%	573.27
Mount Holly	3,609,918.61	-	3,609,918.61	1.11%	338.29
Westampton	5,479,058.61	-	5,479,058.61	0.93%	656.25
	22,433,000.00	-	22,433,000.00		
2003					
Eastampton	3,055,860.31	-	3,055,860.31	1.22%	461.54
Hainesport	3,484,027.49	-	3,484,027.49	1.01%	616.97
Lumberton	6,996,167.30	-	6,996,167.30	1.05%	583.26
Mount Holly	4,005,310.76	-	4,005,310.76	1.22%	374.22
Westampton	5,601,634.14	-	5,601,634.14	1.02%	705.41
	23,143,000.00	-	23,143,000.00		

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

<u>Governmental Unit - Eastampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Eastampton Township (1)	2,075,637.00	100.00%	2,075,637.00
Eastampton Township Board of Education (1)	9,940,000.00	100.00%	9,940,000.00
County of Burlington (2) (A)	365,784,648.00	1.01%	<u>3,702,459.82</u>
Subtotal, overlapping debt			15,718,096.82
Rancocas Valley Regional School District Direct Debt (1) (B)	20,553,000.00	10.80%	<u>2,219,202.77</u>
Total direct and overlapping debt			<u><u>17,937,299.59</u></u>

Sources:

(1) Eastampton Township Annual Debt Statement - December 31, 2011

(2) County of Burlington Audit Report - December 31, 2011

(A) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2011 equalized value by the total 2011 equalized value for the County of Burlington, which results in an apportionment of 1.01%.

(B) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2011 average equalized value by the total 2011 average equalized value for the entire Regional School District, which results in an apportionment of 10.80%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

<u>Governmental Unit - Hainesport</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Hainesport Township (1)	7,618,288.74	100.00%	7,618,288.74
Hainesport Township Board of Education (1)	8,891,431.00	100.00%	8,891,431.00
County of Burlington (2) (A)	365,784,648.00	1.73%	<u>6,329,508.62</u>
Subtotal, overlapping debt			22,839,228.36
Rancocas Valley Regional School District Direct Debt (1) (B)	20,553,000.00	18.24%	<u>3,747,866.23</u>
Total direct and overlapping debt			<u><u>26,587,094.59</u></u>

Sources:

(1) Hainesport Township Annual Debt Statement - December 31, 2011

(2) County of Burlington Audit Report - December 31, 2011

(A) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2011 equalized value by the total 2011 equalized value for the County of Burlington, which results in an apportionment of 1.73%.

(B) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2011 average equalized value by the total 2011 average equalized value for the entire Regional School District, which results in an apportionment of 18.24%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

<u>Governmental Unit - Lumberton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lumberton Township (1)	7,055,880.55	100.00%	7,055,880.55
Lumberton Township Board of Education (1)	18,425,000.00	100.00%	18,425,000.00
County of Burlington (2) (A)	365,784,648.00	2.89%	<u>10,577,357.05</u>
Subtotal, overlapping debt			36,058,237.60
Ranocas Valley Regional School District Direct Debt (1) (B)	20,553,000.00	32.05%	<u>6,586,558.45</u>
Total direct and overlapping debt			<u><u>42,644,796.05</u></u>

Sources:

(1) Lumberton Township Annual Debt Statement - December 31, 2011

(2) County of Burlington Audit Report - December 31, 2011

(A) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2011 equalized value by the total 2011 equalized value for the County of Burlington, which results in an apportionment of 2.89%.

(B) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2011 average equalized value by the total 2011 average equalized value for the entire Regional School District, which results in an apportionment of 32.05%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

<u>Governmental Unit - Mount Holly</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Mount Holly Township (1)	19,236,734.00	100.00%	19,236,734.00
Mount Holly Township Board of Education (1)	-	100.00%	-
County of Burlington (2) (A)	365,784,648.00	1.35%	<u>4,922,246.30</u>
Subtotal, overlapping debt			24,158,980.30
Rancocas Valley Regional School District Direct Debt (1) (B)	20,553,000.00	13.74%	<u>2,824,906.42</u>
Total direct and overlapping debt			<u><u>26,983,886.72</u></u>

Sources:

(1) Mount Holly Township Annual Debt Statement - December 31, 2011

(2) County of Burlington Audit Report - December 31, 2011

(A) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2011 equalized value by the total 2011 equalized value for the County of Burlington, which results in an apportionment of 1.35%.

(B) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2011 average equalized value by the total 2011 average equalized value for the entire Regional School District, which results in an apportionment of 13.74%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

<u>Governmental Unit - Westampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Westampton Township (1)	2,184,083.00	100.00%	2,184,083.00
Westampton Township Board of Education (1)	7,964,446.00	100.00%	7,964,446.00
County of Burlington (2) (A)	365,784,648.00	2.34%	<u>8,548,279.11</u>
Subtotal, overlapping debt			18,696,808.11
Rancocas Valley Regional School District Direct Debt (1) (B)	20,553,000.00	25.18%	<u>5,174,466.14</u>
Total direct and overlapping debt			<u><u>23,871,274.24</u></u>

Sources:

(1) Westampton Township Annual Debt Statement - December 31, 2011

(2) County of Burlington Audit Report - December 31, 2011

(A) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2011 equalized value by the total 2011 equalized value for the County of Burlington, which results in an apportionment of 2.34%.

(B) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2011 average equalized value by the total 2011 average equalized value for the entire Regional School District, which results in an apportionment of 25.18%.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

Eastampton

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Equalized Valuation Basis (1)</u>
	2011	492,585,200.00
	2010	508,499,668.00
	2009	<u>515,033,596.00</u>
	[A]	<u>1,516,118,464.00</u>
Average equalized valuation of taxable property	[A/3]	505,372,821.33
Debt limit (3% of average equalization value) (2)	[B]	15,161,184.64
Total Net Debt Applicable to Limit	[C]	<u>2,129,583.82</u>
Legal Debt Margin	[B-C]	<u>13,031,600.82</u>

	<u>Fiscal Year Ended June 30,</u>									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	15,161,184.64	15,558,138.07	15,713,440.45	15,475,427.72	14,413,718.07	12,939,004.20	11,319,459.39	9,982,047.12	8,906,508.27	8,221,344.66
Total net debt applicable to limit (3)	<u>2,129,583.82</u>	<u>2,249,893.30</u>	<u>2,357,401.61</u>	<u>2,476,508.29</u>	<u>2,585,071.06</u>	<u>2,437,245.72</u>	<u>2,578,916.00</u>	<u>2,777,353.65</u>	<u>2,818,730.21</u>	<u>3,055,860.31</u>
Legal Debt Margin	<u>13,031,600.82</u>	<u>13,308,244.77</u>	<u>13,356,038.84</u>	<u>12,998,919.43</u>	<u>11,828,647.01</u>	<u>10,501,758.48</u>	<u>8,740,543.39</u>	<u>7,204,693.47</u>	<u>6,087,778.06</u>	<u>5,165,484.35</u>
Total net debt applicable to the limit as a percentage of debt limit	14.05%	14.46%	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

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

Hainesport

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Equalized Valuation Basis (1)</u>
	2011	817,696,460.00
	2010	865,077,124.00
	2009	<u>877,699,606.00</u>
	[A]	<u>2,560,473,190.00</u>
Average equalized valuation of taxable property	[A/3]	853,491,063.33
Debt limit (3% of average equalization value) (2)	[B]	25,604,731.90
Total Net Debt Applicable to Limit	[C]	<u>3,596,514.65</u>
Legal Debt Margin	[B-C]	<u>22,008,217.25</u>

	Fiscal Year Ended June 30,									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	25,604,731.90	26,698,345.50	26,885,748.65	26,076,502.17	23,611,432.29	20,477,708.45	17,047,821.12	13,796,307.66	11,183,813.43	9,373,265.74
Total net debt applicable to limit (3)	<u>3,596,514.65</u>	<u>3,860,903.11</u>	<u>4,033,521.96</u>	<u>4,172,981.51</u>	<u>4,234,662.43</u>	<u>3,857,267.95</u>	<u>3,884,010.46</u>	<u>3,838,613.96</u>	<u>3,539,451.35</u>	<u>3,484,027.48</u>
Legal Debt Margin	<u>22,008,217.25</u>	<u>22,837,442.39</u>	<u>22,852,226.69</u>	<u>21,903,520.66</u>	<u>19,376,769.86</u>	<u>16,620,440.50</u>	<u>13,163,810.66</u>	<u>9,957,693.70</u>	<u>7,644,362.08</u>	<u>5,889,238.26</u>
Total net debt applicable to the limit as a percentage of debt limit	14.05%	14.46%	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

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

Lumberton

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Equalized Valuation Basis (1)</u>
	2011	1,537,363,350.00
	2010	1,446,979,796.00
	2009	<u>1,515,472,295.00</u>
	[A]	<u>4,499,815,441.00</u>
Average equalized valuation of taxable property	[A/3]	1,499,938,480.33
Debt limit (3% of average equalization value) (2)	[B]	44,998,154.41
Total Net Debt Applicable to Limit	[C]	<u>6,320,570.83</u>
Legal Debt Margin	[B-C]	<u>38,677,583.58</u>

	Fiscal Year Ended June 30,									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	44,998,154.41	45,071,338.97	45,678,900.51	44,348,648.15	41,078,997.63	36,302,100.22	31,121,546.25	26,138,568.93	22,073,575.00	17,902,027.89
Total net debt applicable to limit (3)	<u>6,320,570.83</u>	<u>6,517,859.79</u>	<u>6,852,955.85</u>	<u>7,097,044.22</u>	<u>7,367,434.79</u>	<u>6,838,017.72</u>	<u>7,090,461.69</u>	<u>7,272,661.50</u>	<u>6,985,841.22</u>	<u>6,996,167.30</u>
Legal Debt Margin	<u>38,677,583.58</u>	<u>38,553,479.18</u>	<u>38,825,944.66</u>	<u>37,251,603.93</u>	<u>33,711,562.84</u>	<u>29,464,082.50</u>	<u>24,031,084.56</u>	<u>18,865,907.43</u>	<u>15,087,733.78</u>	<u>10,905,860.59</u>
Total net debt applicable to the limit as a percentage of debt limit	14.05%	14.46%	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	39.08%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

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

Mount Holly

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Equalized Valuation Basis (1)</u>
	2011	618,913,680.00
	2010	653,448,441.00
	2009	<u>657,561,923.00</u>
	[A]	<u>1,929,924,044.00</u>
Average equalized valuation of taxable property	[A/3]	643,308,014.67
Debt limit (3% of average equalization value) (2)	[B]	19,299,240.44
Total Net Debt Applicable to Limit	[C]	<u>2,710,827.10</u>
Legal Debt Margin	[B-C]	<u>16,588,413.34</u>

	Fiscal Year Ended June 30,									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	19,299,240.44	20,001,975.58	20,430,787.82	20,216,000.25	18,773,745.43	16,391,086.99	14,158,306.65	12,446,922.97	11,406,472.98	10,775,702.05
Total net debt applicable to limit (3)	<u>2,710,827.10</u>	<u>2,887,738.83</u>	<u>3,065,119.46</u>	<u>3,235,134.64</u>	<u>3,367,033.11</u>	<u>3,087,494.41</u>	<u>3,225,690.10</u>	<u>3,463,168.08</u>	<u>3,609,918.61</u>	<u>4,005,310.76</u>
Legal Debt Margin	<u>16,588,413.34</u>	<u>17,114,236.75</u>	<u>17,365,668.36</u>	<u>16,980,865.61</u>	<u>15,406,712.32</u>	<u>13,303,592.58</u>	<u>10,932,616.55</u>	<u>8,983,754.89</u>	<u>7,796,554.37</u>	<u>6,770,391.29</u>
Total net debt applicable to the limit as a percentage of debt limit	14.05%	14.46%	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	37.17%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

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

Westampton

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Equalized Valuation Basis (1)</u>
	2011	1,115,875,282.00
	2010	1,190,040,725.00
	2009	<u>1,229,183,973.00</u>
	[A]	<u>3,535,099,980.00</u>
Average equalized valuation of taxable property	[A/3]	1,178,366,660.00
Debt limit (3% of average equalization value) (2)	[B]	35,350,999.80
Total Net Debt Applicable to Limit	[C]	<u>4,965,503.61</u>
Legal Debt Margin	[B-C]	<u>30,385,496.19</u>

	Fiscal Year Ended June 30,									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debit Limit	35,350,999.80	36,649,696.42	36,753,995.52	35,439,525.31	32,388,427.04	28,508,459.97	24,232,735.47	20,336,065.98	17,312,505.01	14,584,153.42
Total net debt applicable to limit (3)	<u>4,965,503.61</u>	<u>5,256,604.98</u>	<u>5,514,001.11</u>	<u>5,671,331.34</u>	<u>5,808,798.61</u>	<u>5,369,974.20</u>	<u>5,520,951.76</u>	<u>5,658,202.81</u>	<u>5,479,058.61</u>	<u>5,601,634.14</u>
Legal Debt Margin	<u>30,385,496.19</u>	<u>31,393,091.44</u>	<u>31,239,994.41</u>	<u>29,768,193.97</u>	<u>26,579,628.43</u>	<u>23,138,485.77</u>	<u>18,711,783.71</u>	<u>14,677,863.17</u>	<u>11,833,446.40</u>	<u>8,982,519.28</u>
Total net debt applicable to the limit as a percentage of debt limit	14.05%	14.46%	15.00%	16.00%	17.93%	18.84%	22.78%	27.82%	31.65%	38.41%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
<u>2011</u>				
Eastampton	6,079	Unavailable	Unavailable	6.40%
Hainesport	6,121	Unavailable	Unavailable	7.40%
Lumberton	12,583	Unavailable	Unavailable	8.50%
Mount Holly	9,555	Unavailable	Unavailable	13.80%
Westampton	8,830	Unavailable	Unavailable	7.80%
<u>2010</u>				
Eastampton	6,074	287,852,934.00	47,391.00	6.60%
Hainesport	6,115	289,795,965.00	47,391.00	7.60%
Lumberton	12,571	595,752,261.00	47,391.00	8.70%
Mount Holly	9,544	452,299,704.00	47,391.00	14.10%
Westampton	8,821	418,036,011.00	47,391.00	8.10%
<u>2009</u>				
Eastampton	6,528	303,656,448.00	46,516.00	6.20%
Hainesport	5,951	276,816,716.00	46,516.00	7.10%
Lumberton	11,957	556,191,812.00	46,516.00	8.20%
Mount Holly	10,230	475,858,680.00	46,516.00	13.30%
Westampton	8,661	402,875,076.00	46,516.00	7.60%
<u>2008</u>				
Eastampton	6,548	307,546,464.00	46,968.00	3.50%
Hainesport	5,955	279,694,440.00	46,968.00	4.10%
Lumberton	11,989	563,099,352.00	46,968.00	4.70%
Mount Holly	10,271	482,408,328.00	46,968.00	7.90%
Westampton	8,609	404,347,512.00	46,968.00	4.40%
<u>2007</u>				
Eastampton	6,528	296,782,464.00	45,463.00	2.60%
Hainesport	5,997	272,641,611.00	45,463.00	3.00%
Lumberton	12,070	548,738,410.00	45,463.00	3.40%
Mount Holly	10,345	470,314,735.00	45,463.00	5.80%
Westampton	8,590	390,527,170.00	45,463.00	3.20%
<u>2006</u>				
Eastampton	6,641	289,222,191.00	43,551.00	2.80%
Hainesport	6,099	265,617,549.00	43,551.00	3.30%
Lumberton	12,216	532,019,016.00	43,551.00	3.80%
Mount Holly	10,537	458,896,887.00	43,551.00	6.40%
Westampton	8,682	378,109,782.00	43,551.00	3.50%
<u>2005</u>				
Eastampton	6,663	271,817,085.00	40,795.00	2.60%
Hainesport	6,046	246,646,570.00	40,795.00	2.60%
Lumberton	12,289	501,329,755.00	40,795.00	3.50%
Mount Holly	10,583	431,733,485.00	40,795.00	5.90%
Westampton	8,562	349,286,790.00	40,795.00	3.00%
<u>2004</u>				
Eastampton	6,690	264,964,140.00	39,606.00	4.40%
Hainesport	6,045	239,418,270.00	39,606.00	2.90%
Lumberton	12,186	482,638,716.00	39,606.00	3.80%
Mount Holly	10,671	422,635,626.00	39,606.00	6.90%
Westampton	8,349	330,670,494.00	39,606.00	3.50%
<u>2003</u>				
Eastampton	6,621	251,478,822.00	37,982.00	4.90%
Hainesport	5,647	214,484,354.00	37,982.00	3.20%
Lumberton	11,995	455,594,090.00	37,982.00	4.20%
Mount Holly	10,703	406,521,346.00	37,982.00	7.50%
Westampton	7,941	301,615,062.00	37,982.00	3.90%
<u>2002</u>				
Eastampton	6,563	244,793,337.00	37,299.00	4.90%
Hainesport	5,213	194,439,687.00	37,299.00	3.20%
Lumberton	11,604	432,817,596.00	37,299.00	4.20%
Mount Holly	10,702	399,173,898.00	37,299.00	7.50%
Westampton	7,523	280,600,377.00	37,299.00	3.80%

(1) Population information provided by the NJ Dept Of Labor and Workforce Development

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

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

(4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

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

<u>Mount Holly</u>	<u>2012</u>			<u>2002</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	<u>Information Not Available</u>						
			1			1	
			2			2	
			3			3	
			4			4	
			5			5	
			6			6	
			7			7	
			8			8	
			8			8	
			10			10	
		-		0.00%		-	0.00%

<u>Westampton</u>	<u>2012</u>			<u>2002</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	<u>Information Not Available</u>						
			1			1	
			2			2	
			3			3	
			4			4	
			5			5	
			6			6	
			7			7	
			8			8	
			8			8	
			10			10	
		-		0.00%		-	0.00%

Operating Information

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction:										
Regular	110	114	118	119	120	121	121	124	121	111
Special education	20	22	22	21	21	21	21	21	21	25
Other special education	1	1	1	1	1	1	0	0	0	0
Other instruction	1	1	1	1	1	1	1	1	1	1
Support Services:										
Tuition	0	0	0	0	0	0	0	0	0	0
Student & instruction related services	26	27	29	36	34	34	36	35	35	26.5
General administration	3	3	3	4	4	4	4	4	4	3
School Administrative services	22	24	26	16	17	17	20	20	16	14
Central Services	0	0	5	5	5	5	5	5	5	5
Administrative information technology	0	0	4	4	4	4	5	5	4	4
General and Business Administrative Services	8	8	0	0	0	0	0	0	0	0
Plant operations and maintenance	26	26	26	26	26	26	26	26	24	24
Pupil transportation	0	0	0	0	0	0	0	0	0	0
Unallocated Benefits	0	0	0	0	0	0	0	0	0	0
Special Schools	2	2	2	3	3	3	3	3	1	1
Food Service	0	0	0	0	0	0	0	0	0	0
Total	<u>219</u>	<u>228</u>	<u>237</u>	<u>236</u>	<u>236</u>	<u>237</u>	<u>242</u>	<u>244</u>	<u>232</u>	<u>214.5</u>

Source: District Personnel Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year June 30,	Average Daily Enrollment (ADE) ^c	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2012	1,874	31,985,197.83	17,067.88	3.80%	137	N/A	N/A	13.68 to 1	1,874.2	1,788.9	-7.02%	95.45%
2011	2,016	33,143,962.61	16,443.72	3.73%	143	N/A	N/A	14.30 to 1	2,015.6	1,920.1	-7.36%	95.26%
2010	2,176	34,493,527.20	15,851.80	3.44%	146	N/A	N/A	14.00 to 1	2,175.7	2,054.6	0.83%	94.43%
2009	2,158	33,072,017.34	15,325.31	4.50%	143	N/A	N/A	14.60 to 1	2,157.7	2,041.6	-3.91%	94.62%
2008	2,245	32,930,914.30	14,665.95	8.58%	144	N/A	N/A	15.50 to 1	2,245.4	2,122.9	-2.42%	94.54%
2007	2,301	31,078,344.27	13,506.45	3.01%	143	N/A	N/A	14.30 to 1	2,301.2	2,168.2	4.02%	94.22%
2006	2,212	29,002,940.30	13,111.64	5.34%	142	N/A	N/A	14.26 to 1	2,212.3	2,088.2	0.59%	94.39%
2005	2,199	27,369,829.14	12,446.49	3.34%	142	N/A	N/A	14.20 to 1	2,199.3	2,053.8	3.27%	93.38%
2004	2,129	25,641,143.17	12,043.75	7.62%	138	N/A	N/A	13.30 to 1	2,129.7	1,970.3	3.70%	92.52%
2003	2,053	22,975,338.23	11,191.10	N/A	132	N/A	N/A	14.50 to 1	2,053.7	1,895.7	5.54%	92.31%

Sources: District records

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

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

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

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

<u>District Building</u>	Fiscal Year Ended June 30,									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Senior High School</u>										
Ranocas Valley (1954)										
Square Feet	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574
Capacity (students)	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment	2,200	2,287	2,345	2,367	2,414	2,390	2,340	2,312	2,102	2,081
Number of Schools at June 30, 2012										
Elementary = 0										
Middle School = 0										
Senior High School = 1										
Other = 1										

Source: District Records

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

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

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

			Fiscal Year Ended June 30,									
			<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>* School Facilities</u>	<u>School Number</u>	<u>Project # (s)</u>										
RVRHS	050	N/A	<u>540,772.43</u>	<u>505,945.85</u>	<u>560,597.21</u>	<u>586,775.89</u>	<u>604,318.77</u>	<u>649,168.72</u>	<u>643,961.20</u>	<u>673,746.31</u>	<u>638,217.23</u>	<u>731,147.66</u>

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

Source: District records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Insurance Schedule

June 30, 2012

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Property Section:		
Blanket Building and Business Personal Property	69,335,882	5,000
General Liability Section:		
Products and Completed Operations Limit	16,000,000	
Personal Advertising Injury Limit	16,000,000	
Bodily Injury and Property Damage Limit	16,000,000	
Commercial Inland Marine Section:		
Blanket Hardware	1,911,932	1,000
Boiler and Machinery Section:		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000	5,000
Commercial Crime Section:		
Employee Dishonesty Coverage	100,000	500
Business Auto Section:		
Combined Single Limit	16,000,000	1,000
Pollution Liability:		
Environmental Impairment Incident Limit	1,000,000	10,000
Environmental Impairment Aggregate Limit	2,000,000	10,000
School District Legal Liability Coverage:		
Each Policy Period	16,000,000	5,000
Workers Compensation Coverages:		
Each Accident	2,000,000	
Disease - Policy Limit	2,000,000	
Disease - Each Employee	2,000,000	
Student Accident:		
Compulsory Student Accident Coverage	1,000,000	
Surety Bonds:		
Lisa Giovanelli, Business Administrator	100,000	
Lawrence E. Fisher, Treasurer	300,000	

Source: District Records

SINGLE AUDIT SECTION

INDEPENDENT AUDITOR'S 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 STATE OF NEW JERSEY CIRCULAR 04-04-OMB

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

Compliance

We have audited the Rancocas Valley Regional High School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2012. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Rancocas Valley Regional High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, the Rancocas Valley Regional High School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

Management of the Rancocas Valley Regional High School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

This report is intended solely for the information and use of the management, members of the Board of Education, others within the School District, the Division of Administration and Finance of the New Jersey Department of Education, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Henry J. Ludwigsen

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

Woodbury, New Jersey
November 30, 2012

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/ Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2011</u>
				<u>From</u>	<u>To</u>	
<u>General Fund:</u>						
<u>U.S. Department of Health and Human Services</u>						
Passed-through State Department of Education:						
Medical Assistance Program	93.778	N/A	\$ 7,024.27	7/1/2010	6/30/2011	\$ (1,995.15)
Medical Assistance Program	93.778	N/A	4,526.02	7/1/2011	6/30/2012	(1,995.15)
General Fund - Total U.S. Department of Health and Human Services						(1,995.15)
<u>General Fund:</u>						
<u>U.S. Department of Education</u>						
Passed-through State Department of Education:						
Education Job Funds	84.410	N/A	577,137.00	7/1/2011	6/30/2012	-
General Fund - Total U.S. Department of Education						-
Total General Fund						(1,995.15)
<u>Special Revenue Fund:</u>						
<u>U.S. Department of Education:</u>						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	09-4320	113,166.00	9-1-2009	8-31-2010	(38,421.00)
Title I	84.010	10-4320	123,227.00	9-1-2010	8-31-2011	(6,145.82)
Title I	84.010	11-4320	164,315.00	9-1-2011	8-31-2012	-
ARRA - Title I	84.389A	09-4320	81,142.00	9-1-2009	8-31-2011	(81,142.00)
Title I Part A	84.010	09-4320	23,410.00	9-1-2009	8-31-2010	(14,400.00)
Title I Part SIA	84.010	10-4320	9,010.00	9-1-2010	8-31-2011	(9,010.00)
ARRA - Title I Part SIA	84.388A	09-4320	14,256.00	9-1-2009	8-31-2011	(14,256.00)
Title II Part A	84.367	10-4320	44,956.00	9-1-2010	8-31-2011	(21,721.00)
Title II Part A	84.367	11-4320	40,114.00	9-1-2011	8-31-2012	-
I.D.E.I.A. Part B, Basic Regular	84.027	FT-4320	299,602.00	9-1-2002	8-31-2003	743.00
I.D.E.I.A. Part B, Basic Regular	84.027	FT-4320	460,777.00	9-1-2011	8-31-2012	-
ARRA - I.D.E.I.A. Part B, Basic Regular	84.391	FT-4320	494,150.00	9-1-2009	8-31-2011	(344,150.00)
Special Revenue Fund - Total U.S. Department of Education						(528,502.82)
<u>Enterprise Fund:</u>						
<u>U.S. Department of Agriculture</u>						
Passed-through State Department of Education:						
Non-Cash Assistance (Food Distribution):						
Food Distribution Program	10.555	N/A	20,116.00	7-1-2011	6-30-2012	-
Cash Assistance:						
National School Lunch Program	10.555	N/A	129,733.30	7-1-2010	6-30-2011	(7,064.40)
National School Lunch Program	10.555	N/A	148,029.56	7-1-2011	6-30-2012	-
National School Breakfast Program	10.553	N/A	21,838.12	7-1-2010	6-30-2011	(1,526.08)
National School Breakfast Program	10.553	N/A	23,890.14	7-1-2011	6-30-2012	-
Enterprise Fund - Total U.S. Department of Agriculture						(8,590.48)
Total Federal Financial Assistance						\$ (539,088.45)

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30 ,2012		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor at June 30, 2012
	\$ 1,995.15						
	4,526.02	\$ (4,526.02)					
-	6,521.17	(4,526.02)	-	-	-	-	-
	577,137.00	(577,137.00)					
-	577,137.00	(577,137.00)	-	-	-	-	-
-	583,658.17	(581,663.02)	-	-	-	-	-
	38,421.00						
	12,155.00	(39,792.20)		\$ 0.01	\$ (33,783.01)		
	115,471.00	(124,523.00)			(9,052.00)		
	81,142.00						
	14,400.00				(9,010.00)		
	14,256.00						
	21,721.00						
	40,114.00	(40,113.99)		(0.01)			\$ 743.00
	460,777.00	(460,777.00)					
	344,150.00						
-	1,142,607.00	(665,206.19)	-	-	(51,845.01)	-	743.00
	20,116.00	(20,116.00)					
	7,064.40						
	142,139.60	(148,029.56)			(5,889.96)		
	1,526.08						
	22,903.32	(23,890.14)			(986.82)		
-	193,749.40	(192,035.70)	-	-	(6,876.78)	-	-
\$ -	\$ 1,920,014.57	\$ (1,438,904.91)	\$ -	\$ -	\$ (58,721.79)	\$ -	\$ 743.00

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2012

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance at June 30, 2011</u>		<u>Carryover / (Walkover) Amount</u>
			<u>From</u>	<u>To</u>	<u>Deferred Revenue/ Accounts Receivable</u>	<u>Due to Grantor</u>	
State Department of Education(State Aid):							
General Fund:							
Transportation Aid	495-034-5120-014	196,271.00	7-1-2010	6-30-2011	\$	(17,202.44)	
Transportation Aid	495-034-5120-014	906,332.00	7-1-2011	6-30-2012			
Categorical Special Education Aid	495-034-5120-089	1,151,182.00	7-1-2010	6-30-2011		(100,896.94)	
Categorical Special Education Aid	495-034-5120-089	1,151,182.00	7-1-2011	6-30-2012			
Equalization Aid	495-034-5120-078	13,418,510.00	7-1-2010	6-30-2011		(1,176,083.94)	
Equalization Aid	495-034-5120-078	13,418,510.00	7-1-2011	6-30-2012			
Categorical Security Aid	495-034-5120-084	207,124.00	7-1-2010	6-30-2011		(18,153.68)	
Categorical Security Aid	495-034-5120-084	207,124.00	7-1-2011	6-30-2012			
Adjustment Aid	495-034-5120-085	55,885.00	7-1-2011	6-30-2012			
Extraordinary Aid	495-034-5120-044	158,416.00	7-1-2010	6-30-2011		(158,416.00)	
Extraordinary Aid	495-034-5120-044	146,483.00	7-1-2011	6-30-2012			
Nonpublic School Transportation Costs	495-034-5120-044	15,660.00	7-1-2010	6-30-2011		(15,660.00)	
Nonpublic School Transportation Costs	495-034-5120-044	13,920.00	7-1-2011	6-30-2012			
Reimbursed TPAF Social Security Contributions	495-034-5095-002	832,370.17	7-1-2010	6-30-2011		(40,893.22)	
Reimbursed TPAF Social Security Contributions	495-034-5095-002	795,603.01	7-1-2011	6-30-2012			
Total General Fund						<u>(1,527,306.22)</u>	<u>-</u>
Debt Service Fund:							
Debt Service Aid	495-034-5120-075	843,736.00	7-1-2011	6-30-2012			
Enterprise Fund:							
National School Lunch Program	100-010-3360-067	5,019.16	7-1-2010	6-30-2011		(533.11)	
National School Lunch Program	100-010-3360-067	4,924.99	7-1-2011	6-30-2012			
Total Enterprise Fund						<u>(533.11)</u>	<u>-</u>
Total State Financial Assistance						<u>\$ (1,527,839.33)</u>	<u>\$ -</u>

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

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2012			Memo	
				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable June 30, 2012	Cumulative Total Expenditures
\$ 17,202.44								
827,297.12		\$ (906,332.00)		\$ (79,034.88)			\$ (79,034.88)	\$ 906,332.00
100,896.94								
1,050,795.47		(1,151,182.00)		(100,386.53)			(100,386.53)	1,151,182.00
1,176,083.94								
12,248,375.58		(13,418,510.00)		(1,170,134.42)			(1,170,134.42)	13,418,510.00
18,153.68								
189,062.16		(207,124.00)		(18,061.84)			(18,061.84)	207,124.00
51,011.67		(55,885.00)		(4,873.33)			(4,873.33)	55,885.00
158,416.00								
15,660.00		(146,483.00)		(146,483.00)				146,483.00
40,893.22		(13,920.00)		(13,920.00)				13,920.00
756,893.92		(795,603.01)		(38,709.09)				795,603.01
<u>16,650,742.14</u>	<u>-</u>	<u>(16,695,039.01)</u>	<u>-</u>	<u>(1,571,603.09)</u>	<u>-</u>	<u>-</u>	<u>(1,372,491.00)</u>	<u>16,695,039.01</u>
<u>828,062.00</u>		<u>(828,062.00)</u>						<u>828,062.00</u>
533.11								
4,747.75		(4,924.99)		(177.24)				4,924.99
<u>5,280.86</u>	<u>-</u>	<u>(4,924.99)</u>	<u>-</u>	<u>(177.24)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,924.99</u>
<u>\$ 17,484,085.00</u>	<u>\$ -</u>	<u>\$ (17,528,026.00)</u>	<u>\$ -</u>	<u>\$ (1,571,780.33)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,372,491.00)</u>	<u>\$ 17,528,026.00</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2012

Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Rancocas Valley Regional High School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$60,154.00) for the general fund and \$26,182.43 for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)**

Awards and financial assistance revenues are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 581,663.02	\$ 17,773,986.01	\$ 18,355,649.03
Special Revenue Fund	691,388.62		691,388.62
Debt Service Fund		828,062.00	828,062.00
Food Service Fund	<u>192,035.70</u>	<u>4,924.99</u>	<u>196,960.69</u>
Total Financial Awards	<u>\$ 1,465,087.34</u>	<u>\$ 18,606,973.00</u>	<u>\$ 20,072,060.34</u>

Note 4: **RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

Note 5: **ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2010-2011.

Note 6: **OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2012.

Note 7: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2012

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Signot considered to be a material weakness? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over compliance:

Material weakness(es) identified? yes X no

Signot considered to be a material weakness? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027	I.D.E.I.A. Part B, Basic Regular
84.410	Educational Jobs

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2012

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

State Financial Assistance

Internal control over compliance:

Material weakness(es) identified? _____ yes X no

Significant not considered to be a material weakness? _____ yes X none reported

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

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

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Categorical Security Aid</u>
<u>495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>
<u>495-034-5095-002</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>495-034-5120-075</u>	<u>Debt Service Aid</u>

Dollar threshold used to determine Type A programs \$ 525,841

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

No Current Year Findings.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

No Current Year Findings.

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

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings

