

**SCHOOL DISTRICT OF
TOMS RIVER REGIONAL**

**TOMS RIVER REGIONAL SCHOOL BOARD
Toms River, New Jersey
County of Ocean**

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

TOMS RIVER REGIONAL BOARD OF EDUCATION

TOMS RIVER, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Prepared by

**Toms River Regional Board of Education
Business Office**

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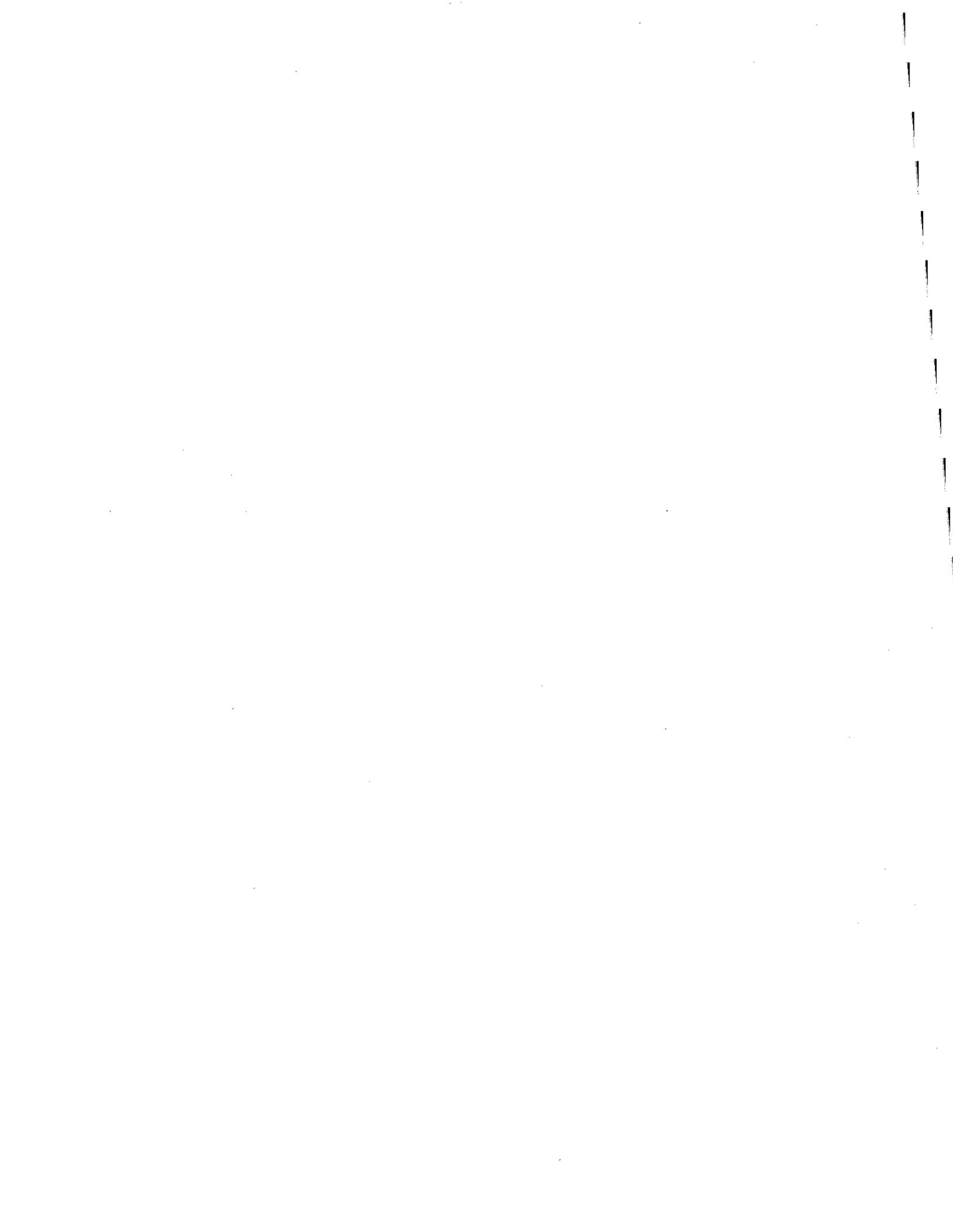
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INTRODUCTORY SECTION





TOMS RIVER REGIONAL SCHOOLS

1144 Hooper Avenue, Toms River, NJ 08753
(732) 505-5510 (732) 505-5511

October 26, 2012

Honorable President and
Members of the Board of Education
Toms River School District
County of Ocean, New Jersey

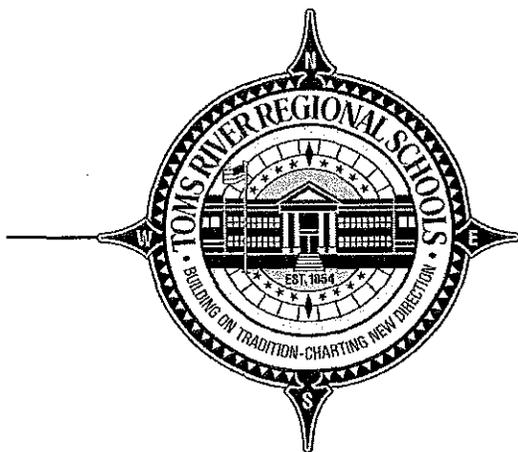
Dear Board Members:

The comprehensive annual financial report of the Toms River School District for the fiscal year ending 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 Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the 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 the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "*Audits of State and Local Governments*", 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, regulations, findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Toms River School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Toms River Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational and special education for children with special needs. The District Residential Enrollment for 2011-2012 school year decreased by 188.2 students over the previous year's enrollment. The



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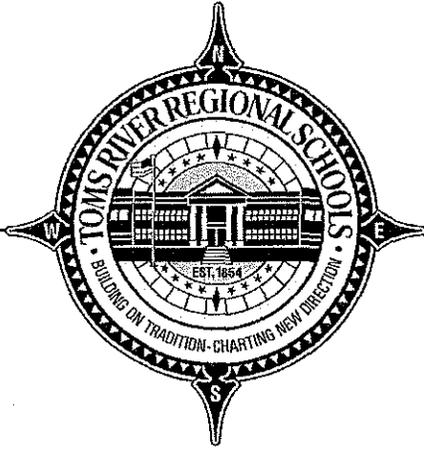
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following details the changes in the student enrollment of the District since 1989-90. These figures are based upon average daily enrollment.

Average Daily Enrollment

Fiscal Year	Student Enrollment	# Students (+/-)	Percent Change
1989-90	15,783.3		
1990-91	15,759.3	-24.0	0.0015%-
1991-92	15,938.3	+179.0	0.0114%+
1992-93	15,986.7	+48.0	0.0030%+
1993-94	16,197.4	+210.7	0.0132%+
1994-95	16,513.1	+315.7	0.020%+
1995-96	16,848.8	+335.7	0.021%+
1996-97	17,168.6	+319.8	0.019%+
1997-98	17,227.9	+59.3	0.0035%+
1998-99	17,375.8	+147.9	0.0086%+
1999-00	17,444.1	+68.3	0.0040%+
2000-01	17,666.5	+222.5	0.0128%+
2001-02	17,864.6	+198.1	0.0113%+
2002-03	18,081.2	+216.6	0.0122%+
2003-04	18,185.3	+104.1	0.0057%+
2004-05	18,121.6	- 63.7	0.0035% -
2005-06	17,851.4	- 270.2	0.0149% -
2006-07	17,634.4	-217.0	0.0154%-
2007-08	17,396.5	-237.9	0.0196%-
2008-09	17,239.8	-156.7	0.00352%-
2009-10	17,090.1	-149.7	0.00868%-
2010-11	16,975.6	-114.5	0.00670%-
2011-12	16,787.4	-188.2	0.0111%-

2. ECONOMIC CONDITION AND OUTLOOK: Local, state, and federal economic conditions continue to create a relatively unstable and uncertain economic environment, for all entities, including the school district. Investment rates continue to be depressed and investment earnings are hovering at all time lows. The State of New Jersey has again delayed payment of the final two State Aid payments for the year, totaling \$6,525,053 as of June 30, 2012. On the positive side, the District's solar initiatives continued to pay dividends to the taxpayers of the Toms River Regional School District through the sale of "Solar Renewable Energy Credits" and the production of our own electricity. Currently, the second phase of the district's solar initiative is nearly complete, and through a Power Purchase Agreement, the project will provide for lower



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electricity costs as well as the replacement of the roofs at eleven (11) school district facilities at no cost to the taxpayers. Additionally, the District has stabilized future inflationary energy costs through the participation in energy cooperatives for electric and gas resulting in favorable energy unit costs, as well as participating in a demand-response program which will further curtail energy and provide revenue to the school district. Finally, in August 2012 the district contracted with Energy Education Inc. for energy conservation services, which is expected to generate millions of dollars in savings in utility costs over the next several years.

The 2012-2013 School Budget was approved by the Board of Education in March 2012 and the budget as presented provides for a thorough and efficient education. Our district was one of the vast majority of school districts who moved the Board elections to November. Therefore, the annual public vote on the budget is no longer required provided that the budget is under the State-mandated cap. This change saved the district significant dollars in annual election costs. The increase in the overall tax levy (general and debt service levy) with the 2012-13 budget was 1.2%. Although the school tax levy increased only minimally, property tax appeals and the effect on the ratable bases, coupled with the Department of Education's allocation of taxes between the constituent municipalities in the regional district, may cause additional pressure on the local taxpayers in some of our municipalities. The District is concerned about the status of the economy and the fiscal health of the State of New Jersey. Although the District will continue to strive to find fiscal efficiencies in all aspects of our operation, we remain concerned about our level of surplus, the impact of the 2% property tax cap, our allocation of State Aid and the effect of any legislation that could have a negative impact on the efficiency or quality of our school system.

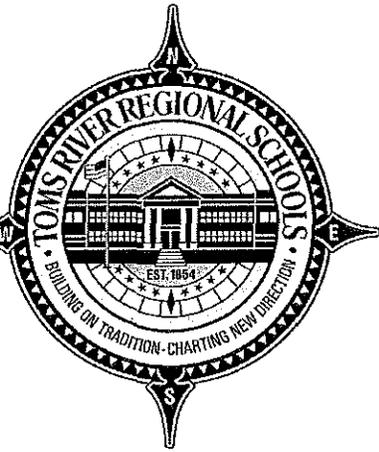
3. MAJOR INITIATIVES:

High School

Half-year course offerings: Course offerings in the Science, Fine Arts and Career/Technology Departments of the high schools were updated, with the development of half-year courses in each area to better suit the interest levels of students and provide for smaller instructional units of high motivation. This was also completed to support the newly required state-mandated Personal Finance course.

Physical Education – option 2: Students are provided the opportunity to complete the required 150 minutes per week health component outside of traditional physical education class. Interscholastic athletic programs or approved outside physical activities can fulfill this requirement thereby permitting involved students an open class slot to further expand course options.

Partnership with Ocean County College (OCC): A number of programs have been designed to support our partnership with OCC. The Write Connection pairs high school and collegiate level writers in peer review and editing of student composition. The Bridges Program offers the Accuplacer (placement test) to juniors with remediation possibilities for senior year in preparation of entry to OCC.



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HSPA Preparation Lab/Tutorial: Identified students are given additional time with staff for Mathematics enrichment and reinforcement during an activity period within the school day. The goal is to offer these students support and assistance to meet proficiency and growth.

HSPA Preparation English 2190: Identified students are placed in an English class that enriches and reinforces both the English III curriculum and HSPA preparation. The goal is to offer these students support and assistance to meet proficiency and growth.

Summertime: The existing Summertime program, where secondary level students are assigned a novel to read during the summer, was revised. The list of books was carefully scrutinized and condensed by a group of teachers and students to determine titles of high interest. Additionally, the high school program was deemed “mandatory”; all students must read at least one book (some courses required two) each summer and complete a written, follow-up assignment.

Intermediate School

Reading and writing across the curriculum: Science and Social Studies courses were infused with reading in content areas, open ended questions, mandatory essay and quote based writing instruction. Teachers were provided with professional development opportunities in the integration of Language Arts and in using rubric scoring.

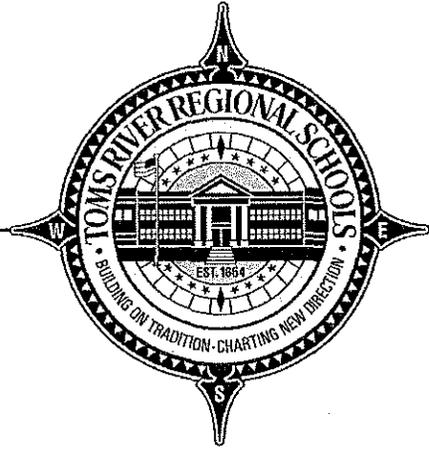
Quarterly assessments: Academic subject final exams were replaced by quarterly assessments. This practice allowed for more formative assessment during the school year as instructional time gained from decreased test preparation. Quarterly assessments are averaged into each marking period grades.

Anti-Bullying campaigns: Each school in the district established anti bullying teams. In addition, students, teachers and administrators worked collaboratively to develop new programs, strategies and promote ideas that foster positive school environments and discourage acts of harassment, intimidation and bullying.

Basic Skills 200 Club: Identified students are given additional time with their regular Language Arts and Math teachers during activity periods for enrichment and reinforcement. The goal is to offer these students support and assistance to meet proficiency and growth in Math and Language Arts.

Elementary School

Language Arts: This year, the elementary schools continued refining the teaching of the writing program in grades 3-5 and exposed a limited number of 1st and 2nd grades to the program on a voluntary basis. A series of summer workshops were devoted to a variety of topics within the program for which our teachers were



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requesting additional teaching approaches. The reading pilot of similar strategies was expanded to three more elementary schools among various grade levels. These schools were Beachwood, Walnut Street School and Citta School. Similar workshops of best practices in reading were also offered this summer. In addition, this year the instructional supervisors have begun to explore other samples of reading programs to update our current reading curriculum. Our goal is to select a new reading program for September 2013.

Math: This year the Everyday Math editions in use in our schools would have been several years old. Although the concepts are still valid and serve us well as referenced by test scores, we decided to purchase the newest revised edition so that our curricular skills would be directly aligned to the new Core Content Standards adopted by the state of New Jersey. Workshops were held this summer specific to each grade level and attendance at these workshops was close to 100 %. The attendance is testimony to our teachers' dedication and desire to keep their skills current and offer the best educational programs for our students.

Basic Skills: Identified students are given additional time with staff within a before/after school model for enrichment and reinforcement. The goal is to offer these students support and assistance to meet proficiency and growth in Math and Language Arts.

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

As a recipient of federal and state financial assistance, the District 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. The District is also charged with the responsibility of periodic evaluation of this internal control structure.

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.



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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 District. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets that are approved for capital improvements are accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriated of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

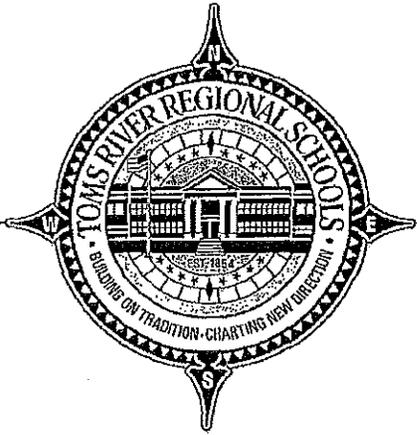
6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statement", Note I.

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 to ensure sound financial management.

8) DEBT ADMINISTRATION: As of June 30, 2012, long-term liabilities consist of:

Bonds Payable	\$67,394,000
Capital Leases Payable	455,380
Notes Payable	3,197,210
Compensated Absences	<u>14,572,145</u>
Total	<u>\$85,618,735</u>

9) 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



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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.

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. In addition to meeting the requirements of the Single Audit Act of 1984 and the related OIVIB Circular A-133 and state Treasury Circular Letter 04-04 OMB, the auditor's report includes financial statements and combines individual fwd statements and schedules to ensure clear financial reporting. The auditors reports related specifically to the single audit are included in the single audit section of this report.

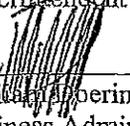
12) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Toms River School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full Support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

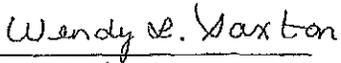
Respectfully submitted,



Frank Roselli
Superintendent



William Hoering
Business Administrator

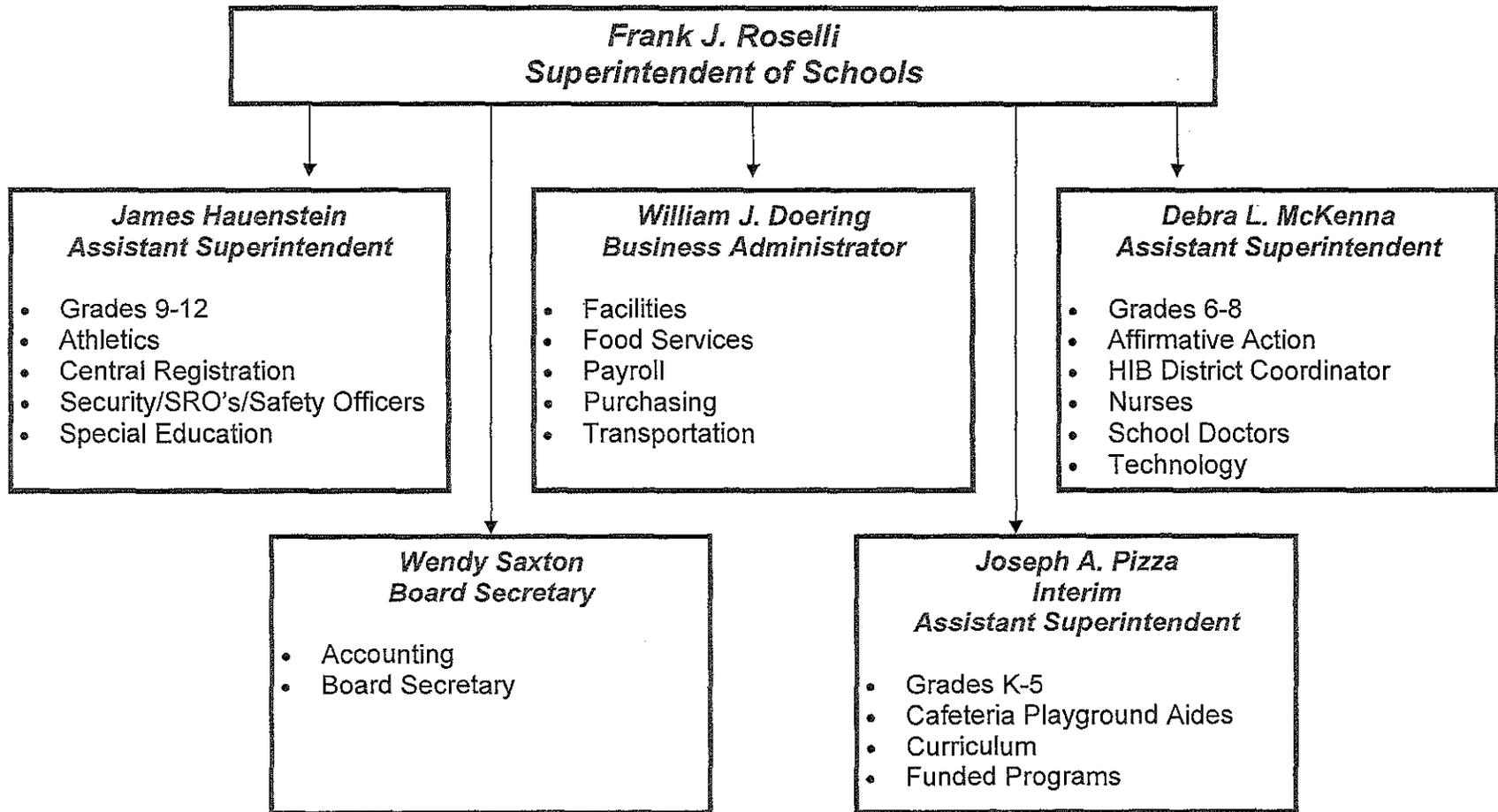


Wendy L. Saxton
Board Secretary



TOMS RIVER BOARD OF EDUCATION
Organizational Chart
(Unit Control)

TOMS RIVER REGIONAL SCHOOLS



TOMS RIVER REGIONAL SCHOOL DISTRICT
1144 Hooper Avenue
Toms River, New Jersey 08753

ROSTER OF OFFICIALS
JUNE 30, 2012

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Edward F. Gearity, President	2013
John Reuther, Vice President	2012
Thomas Baxter	2013
Ben Giovine	2014
Michael A. Jedziniak	2013
Jamie Ann Jubert	2012
Gus Kakavas	2012
Alexander Pavliv	2014
Loreen Torrone	2014

OTHER OFFICIALS

Frank J. Roselli, Superintendent of Schools
William J. Doering, CPA, School Business Administrator
Wendy L. Saxton, Board Secretary
Mathew K. Varley, Treasurer
Thomas Monahan, Attorney

TOMS RIVER REGIONAL SCHOOL DISTRICT
1144 Hooper Avenue
Toms River, New Jersey 08753

CONSULTANTS AND ADVISORS

INDEPENDENT AUDITORS

Holman & Frenia, P. C.
Frank B. Holman, III, CPA, PSA
10 Allen Street, Suite 2B
Toms River, New Jersey 08753

ATTORNEY

Gilmore & Monahan, P. A.
Thomas Monahan, Esq.
10 Allen Street, Suite 4
Toms River, New Jersey 08753

OFFICIAL DEPOSITORY

State of New Jersey Cash Management Fund
PO Box 182218
Columbus, Ohio 43218-2218

TD Bank
1101 Hooper Avenue, CN 2050
Toms River, New Jersey 08754

Wells Fargo
40 Main Street
Toms River, New Jersey 08753

Shore Community Bank
1216 Route 37 East
Toms River, New Jersey 08753

PNC Bank
1329 Hooper Avenue
Toms River, New Jersey 08753

Ocean First Bank
975 Hooper Avenue
Toms River, New Jersey 08753

NJ/ARM
821 Alexander Road, Suite 110
Princeton, New Jersey 08540

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Toms River Regional School District
County of Ocean
Toms River, New Jersey 08753

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Toms River Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board'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; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Toms River Regional School District, County of Ocean, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2012, on our consideration of the Toms River Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

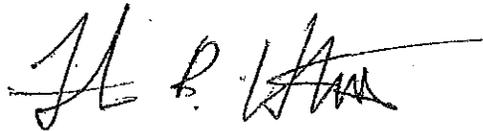
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 13 through 18 and 55 through 69

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 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 Toms River Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
October 26, 2012

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

TOMS RIVER BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR JUNE 30, 2012

UNAUDITED

Toms River Regional School District is a K-12 school District located in Ocean County, New Jersey. The Administration's Discussion and Analysis, a requirement of GASB 34, is intended to be the Toms River Regional School District Administration's discussion and analysis of the financial results for the fiscal year ended June 30, 2012.

Generally accepted accounting principles (GAAP) according to GASB 34 require the reporting of two types of financial statements: District Wide Financial Statements and Fund Financial Statements. The intent of the MD&A is to look at the School Board's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Certain comparative information between the current year (2011-2012) and prior years, is required to be presented in the MD&A. Prior-year comparative data was presented in order to provide a more meaningful comparative analysis of the government wide data.

District Wide Financial Statements:

These statements are full accrual basis statements. They report all of the District's assets and liabilities, both short and long-term, regardless of whether they are "currently available" or not. For example, assets that are restricted for use in the Debt Funds solely for the payment of long term principal or interest are grouped with unrestricted assets of the General Fund. Capital assets and long-term obligations of the District are reported in the Statement of Net Assets of the District wide financial statements.

Using This Comprehensive Annual Financial Report (CAFR):

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Toms River Board of Education as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The chart on the following page will provide an outline of the sections and information contained herein:

Comprehensive Annual Financial Report

Introductory Section

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Elected Officials, Administrative Officers, Consultants and Advisors
Organizational Chart

Financial Section

Independent Auditors' Report
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Management's Discussion and Analysis

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Budgetary Information for Major Fund Groups
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Agency Funds Statements/Schedules
Capital Assets by Source and Function

Statistical Section

Financial Trends
Revenue Capacity
Debt Capacity
Demographic and Economic Information
Operating Information

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities:

While these documents contain the large number of funds used by the School Board to provide programs and activities, the view of the School Board as a whole looks at all financial transactions and asks the question, "How did the School Board do financially during the fiscal year ending June 30, 2012?" The Statement of Net Assets and Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to accounting method used by most private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School Board's assets, the difference between assets and liabilities, and changes in those assets. This change in net assets is important because it tells the reader whether, for the School Board as a whole, the financial position of the School Board has improved or not. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's

goal is to provide services to its students, not to generate profits as commercial entities do. One must consider many other non financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Summary Statement of Net Assets (Attachment A) and summary Statement of Activities (Attachment B) contain all of the School Board's services under Governmental activities including instruction, plant services, transportation, and business office operations. The statement also includes all business type activities including food service, corporate center, and day care.

Financial Highlights:

This section should be read in conjunction with Attachment A and Attachment B. Key financial highlights for the fiscal year ended June 30, 2012, compared to June 30, 2011, are as follows:

From the summary Statement of Net Assets (Attachment A), the total net assets of the District went up from \$43.1 million at June 30, 2011 to \$122 million at June 30, 20112 or an increase of \$79 million. This is due primarily to the restatement of fixed assets to the values per the fixed asset appraisal which resulted in a prior period adjustment of \$78.2 million. This adjustment was necessary to adjust fixed asset values to reflect the contents of the annual fixed asset appraisal report (as opposed to relying on the accounting system tracking of fixed assets). This is a one-time adjustment and now additions and deletions of fixed assets will be annually reconciled between the accounting system and the fixed asset appraisal report. In terms of increases in governmental assets, cash is up significantly due to an increase in fund balance and the Township of Toms River prepaying a portion of the July 2012 tax payment for \$6.5 million which allowed the District to meet cash flow needs without having to borrow funds due to the State again delaying the final two State Aid payments. It should be noted that the District maintains reserve dollars (capital, maintenance, and emergency reserves) which has helped ensure adequate cash flow. Receivables are lower at June 30, 2012 due to us having a large SREC receivable and larger grant receivables the prior year. The increase in capital assets was also attributable to the prior period adjustment. On the liability side for governmental activities, accounts payable is up significantly because the District has accrued the A-4 surcharge for multiple years for health insurance, whereby districts that do not participate in the State Health Benefits Plan must pay a fee (usually 2.5% of claims) to not participate in the plan. Also in 2011-12, the District shows deferred revenue primarily because the Township of Toms River prepaid the tax levy by \$6.5 to help with the District's cash flow. Also in 2011-12, the District began to fund the IBNR (incurred but not reported) reserve for health insurance for \$1.375 million. Through time, it would be fiscally prudent for the District to fund as much of the IBNR liability as possible.

From the summary Statement of Activities (Attachment B), total *expenditures* for all our programs were \$239.7 million for the school year 2011-2012. This is higher than the prior year of \$234.1 million due to several factors, including the increase in depreciation expense, increases in pension and on-behalf TPAF pension cost, an increase in special education costs, health insurance costs, tuition costs and the summation of many smaller increases offset by a decrease in general and school level administrative costs, operations and maintenance costs and interest and other costs. It should be noted that with the 2011-12 governmental activities, benefits will be shown as unallocated, which correlates to how they are budgeted and recorded on CAFR schedule A-2. In terms of *revenues*, taxes, state aid, grants and other revenue sources resulted in a total revenue amount of \$233.5 million, which is also higher than the prior year total revenue of \$230.4 million. This is higher due to the increase in school taxes and tuition fees, as well as a significant increase in State Aid. The lower grant revenue is due the NCLB allocation reductions and the utilization of ARRA funds in the prior year. The difference between the expenditures and the revenues for 2011-12, coupled with the auditor's prior period adjustment of \$78.2 million, resulted in the increase in net assets of \$79 million compared to the prior year.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SUMMARY STATEMENT OF NET ASSETS**

FISCAL YEAR ENDING JUNE 30,

Assets:	2012	2011	2010	2009	2008
Governmental Activities:					
Cash & Cash Equivalents	\$12,568,446		\$6,844,495	\$10,658,274	\$22,292,431
Receivables, Net	\$2,763,421	4,243,116	10,518,984	6,267,536	5,327,340
Interfund Receivable	38,617	27,469		1,287,240	
Other Current Assets	4,071,000	3,756,000			
Capital Assets, Net	189,416,151	120,187,835	124,673,638	127,010,169	134,309,791
Total Governmental Activities	<u>208,857,635</u>	<u>128,214,420</u>	<u>142,037,117</u>	<u>145,223,219</u>	<u>161,929,562</u>
Business-Type Activities:					
Cash & Cash Equivalents	3,369,512	3,701,342	3,600,889	3,335,782	2,809,613
Prepaid Expenses					29,978
Receivables, Net	102,203	76,057	141,913	99,310	50,609
Inventory	70,724	73,013	67,448	84,810	66,791
Interfund Receivable					
Other Current Assets	166,011	78,314	81,941	58,189	
Capital Assets, Net	8,735,666	6,406,443	6,553,808	6,229,997	6,047,827
Total Business-Type Activities	<u>12,444,116</u>	<u>10,335,169</u>	<u>10,445,999</u>	<u>9,808,088</u>	<u>9,004,818</u>
Total Assets	<u>221,301,751</u>	<u>138,549,589</u>	<u>152,483,116</u>	<u>155,031,307</u>	<u>170,934,380</u>
Liabilities:					
Governmental Activities:					
Cash Deficit					
Accounts Payable	3,703,389	2,035,426	4,049,460	293,244	353,639
Accrued Interest	1,391,446	1,653,814	853,019	902,755	1,423,622
Payable to Federal Government		1,449,966	25	16,812	98
Payable to State Government			10,409	1,896	40,458
Payable to Other Fund			38,941	1,287,240	
Accrued Liability for Insurance Claims	1,375,000				
Deferred Revenue	6,817,515	136,839	500,571	16,976	255,666
Interfund Payable					
Non-Current Liabilities:					
Due Within One Year	3,950,587	3,738,988	3,558,307	4,590,260	9,974,016
Due Beyond One Year	81,668,148	86,119,249	89,081,237	96,674,492	96,651,062
Total Governmental Activities	<u>98,906,085</u>	<u>95,134,282</u>	<u>98,091,969</u>	<u>103,783,675</u>	<u>108,698,561</u>
Business-Type Activities:					
Accounts Payable	101,600	91,757	57,425	93,317	28,675
Deposits Payable	61,682	47,926	47,925	44,707	65,122
Deferred Revenue & Other	181,171	71,370	62,691	67,421	33,917
Interfund Payable	38,617	27,469			
Non-Current Liabilities:					
Due Within One Year		278			
Due Beyond One Year	92,536	97,108			92,585
Total Business-Type Activities	<u>475,606</u>	<u>335,908</u>	<u>168,041</u>	<u>205,445</u>	<u>220,299</u>
Total Liabilities	<u>99,381,691</u>	<u>95,470,190</u>	<u>98,260,010</u>	<u>103,989,120</u>	<u>108,918,860</u>
Total Net Assets	<u>121,920,060</u>	<u>43,079,399</u>	<u>54,223,106</u>	<u>51,042,187</u>	<u>62,015,520</u>
Net Assets:					
Governmental Activities:					
Invested in Capital Assets	118,369,561	45,783,902	47,172,494	45,657,155	45,301,064
Restricted Debt, Capital, Other	205,799	342,812	364,199	1,150,319	7,211,394
Unrestricted	(8,623,810)	(13,046,576)	(3,591,545)	(5,367,930)	718,543
Total Governmental Activities	<u>109,951,550</u>	<u>33,080,138</u>	<u>43,945,148</u>	<u>41,439,544</u>	<u>53,231,001</u>
Business-Type Activities:					
Invested in Capital Assets	8,735,666	6,406,443	6,553,808	6,229,997	99,152
Unrestricted	3,232,844	3,592,818	3,724,150	3,372,646	8,685,367
Total Business-Type Activities	<u>11,968,510</u>	<u>9,999,261</u>	<u>10,277,958</u>	<u>9,602,643</u>	<u>8,784,519</u>
Total Net Assets	<u>\$121,920,060</u>	<u>\$43,079,399</u>	<u>\$54,223,106</u>	<u>\$51,042,187</u>	<u>\$62,015,520</u>

**TOMS RIVER REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SUMMARY STATEMENT OF ACTIVITIES**

	FISCAL YEAR ENDING JUNE 30,				
	2012	2011	2010	2009	2008
General Revenue:					
Governmental Activities:					
Revenues:					
Local Tax Levy					
General Fund Taxes	\$131,104,192	\$126,219,467	\$115,800,000	\$111,634,746	\$107,722,170
Debt Service Taxes	6,303,660	6,427,760	6,661,616	4,065,852	2,905,077
Federal & State Non-Restricted	84,568,143	77,052,160	84,341,484	80,995,846	96,822,552
Interest on Investments	7	54,155	27,210	220,613	725,695
Tuition Received	1,416,542	870,836	400,375	428,009	496,449
Pupil Transportation	149,326	180,438	127,018	90,457	146,741
Miscellaneous Income	1,972,681	2,466,007	1,687,037	2,586,756	8,377,027
Transfers	192,280	513,209			
Change in Fixed Assets				(4,327,698)	(94,521)
Total Governmental Activities	225,706,831	213,784,032	209,044,740	195,694,581	217,101,190
Business-Type Activities:					
Interest on Investments	1,954	4,225	5,291	16,561	102,635
Miscellaneous Income				168,563	
Transfers	(192,280)	(513,209)			50,000
Food Services	3,099,881	3,386,422	3,372,171	3,836,181	3,627,630
Corporate Center	667,877	631,684	937,439	787,549	911,139
Day Care Center	722,030	707,876	443,058	443,142	946,880
Bennett Complex	366,712				
Pine Belt Arena	356,569	735,439	842,228	1,000,306	434,852
Total Business-Type Activities	5,022,743	4,952,437	5,600,187	6,252,302	6,073,136
Operating Grants & Contributions					
Governmental Activities:					
Instruction Regular	5,624,421	7,025,483	10,823,116	6,030,395	6,577,752
Support Services for Instruction	2,128,197	2,842,403	1,985,530	2,038,506	1,898,371
Total Governmental Activities	7,752,618	9,867,886	12,808,646	8,068,901	8,476,123
Business-Type Activities:					
Food Services	1,877,730	1,831,685	1,548,918	1,426,278	1,154,680
Total Business-Type Activities	1,877,730	1,831,685	1,548,918	1,426,278	1,154,680
Total Operating Grants & Contributions	9,630,348	11,699,571	14,357,564	9,495,179	9,630,803
Total Revenues	240,359,922	230,436,040	229,002,491	211,442,062	232,805,129
Expenses:					
Governmental Activities:					
Regular Instruction	65,935,727	66,235,265	96,723,532	91,725,377	93,536,995
Special Education Instruction	14,817,304	13,913,417	20,409,347	18,581,171	20,714,414
Other Special Instruction	1,323,853	1,378,203	2,085,579	1,936,770	
Vocational Education	1,564,781	1,515,261	2,633,777	2,648,657	2,903,990
Other Instruction	3,699,586	4,006,264	8,041,855	7,839,463	7,973,294
Adult/Community Service Education Programs	28,290	23,848	39,201	31,901	6,739
Tuition	2,985,309	2,070,901	667,598	2,387,954	1,985,607
Student & Instruction Related Services	18,415,334	18,713,173	25,149,439	23,444,250	24,040,993
General Administrative Services	1,913,430	2,237,326	3,314,477	2,904,801	3,195,660
School Administrative Services	10,017,867	10,150,928	15,757,271	14,759,196	14,628,839
Plant Operations & Maintenance	15,818,621	17,263,493	24,895,033	24,101,000	24,340,331
Student Transportation	11,314,786	10,923,759	16,639,502	16,955,034	17,762,071
Unallocated Benefits (includes pension & FICA)	73,236,252	68,558,277			
Special Schools	26,900	42,143	69,862	80,057	82,316
Interest & Other Charges	3,085,116	4,221,619	3,255,648	3,428,108	3,922,942
Unallocated Depreciation	8,174,831	5,747,264	3,077,096	4,731,200	4,719,971
Total Governmental Activities	232,357,987	227,001,141	222,759,217	215,554,939	219,814,162
Business-Type Activities:					
Food Services	5,185,881	5,113,640	4,713,932	4,922,710	4,820,133
Corporate Center	817,782	924,024	926,541	982,127	956,268
Day Care Center	811,474	700,641	463,157	329,498	311,310
Bennett Complex	271,046				
Pinne Belt Arena	276,295	324,514	370,161	626,118	316,141
Total Business-Type Activities	7,362,478	7,062,819	6,473,791	6,860,453	6,403,852
Total Expenditures	239,720,465	234,063,960	229,233,008	222,415,392	226,218,014
Prior Period Adjustments	78,201,204	(7,515,787)	3,411,436		
Change in Net Assets	\$78,840,661	(\$11,143,707)	\$3,180,919	(\$10,973,330)	\$6,587,115

The District of Toms River remains committed to sound financial management practices in response to the challenges posed by a stagnant economy and the state budget crisis. Overall revenues are expected to remain relatively flat while costs are expected to continue to increase for salaries, healthcare, and routine expenses. However, the District will continue to try to find new ways to fund, or will reallocate existing funding, to support programs that target student achievement. Our goal will continue to be to provide a quality education for all of our students while maintaining a balanced and efficient budget.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements

**TOMS RIVER REGIONAL SCHOOL DISTRICT
COMBINED STATEMENT OF NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$6,768,381	3,369,512	10,137,893	3,701,342
Restricted Cash	5,800,065		5,800,065	5,796,119
Receivables, Net	2,763,421	102,203	2,865,624	4,319,173
Receivable from Other Funds	38,617		38,617	27,469
Inventory		70,724	70,724	73,013
Other Current Assets	4,071,000	166,011	4,237,011	3,834,314
Capital Assets, Net (Note 6)	189,416,151	8,735,666	198,151,817	126,594,278
Total Assets	208,857,635	12,444,116	221,301,751	144,345,708
LIABILITIES				
Cash Deficit				7,831,545
Accounts Payable	3,703,389	101,600	3,804,989	1,745,571
Accrued Interest Payable	1,391,446		1,391,446	1,449,966
Deposits Payable		61,682	61,682	47,926
Payable to Other Funds		38,617	38,617	27,469
Accrued Liability for Insurance Claims	1,375,000		1,375,000	
Unearned Revenue	6,817,515	181,171	6,998,686	208,209
Current Portion of Long-Term Debt	3,950,587		3,950,587	3,739,266
Noncurrent Liabilities (Note 7):				
Due Beyond One Year	81,668,148	92,536	81,760,684	86,216,357
Total Liabilities	98,906,085	475,606	99,381,691	101,266,309
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	118,369,561	8,735,666	127,105,227	52,190,345
Restricted For:				
Debt Service	91,687		91,687	106,165
Capital Projects	114,112		114,112	236,647
Unrestricted	(8,623,810)	3,232,844	(5,390,966)	(9,453,758)
Total Net Assets	\$109,951,550	11,968,510	121,920,060	43,079,399

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
COMBINED STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY) JUNE 30, 2012	JUNE 30, 2011
Governmental Activities:							
Instruction:							
Regular	\$65,935,727		5,624,421	(60,311,306)		(60,311,306)	(59,209,782)
Special Education	14,817,304			(14,817,304)		(14,817,304)	(13,913,417)
Other Special Instruction	1,323,853			(1,323,853)		(1,323,853)	(1,378,203)
Vocational Education	1,564,781			(1,564,781)		(1,564,781)	(1,515,261)
Other Instruction	3,699,586			(3,699,586)		(3,699,586)	(4,006,264)
Adult/Continuing Education Programs	28,290			(28,290)		(28,290)	(23,848)
Support Services & Undistributed Costs:							
Tuition	2,985,309			(2,985,309)		(2,985,309)	(2,070,901)
Student & Instruction Related Services	18,415,334		2,128,197	(16,287,137)		(16,287,137)	(15,870,770)
General Administrative Services	1,913,430			(1,913,430)		(1,913,430)	(2,237,326)
School Administrative Services	10,017,867			(10,017,867)		(10,017,867)	(10,150,928)
Plant Operations & Maintenance	15,818,621			(15,818,621)		(15,818,621)	(17,263,493)
Student Transportation	11,314,786			(11,314,786)		(11,314,786)	(10,923,759)
Unallocated Benefits	73,236,252			(73,236,252)		(73,236,252)	(68,558,277)
Special Schools	26,900			(26,900)		(26,900)	(42,143)
Interest on Long-Term Debt & Other Bond Costs	3,085,116			(3,085,116)		(3,085,116)	(4,221,619)
Unallocated Depreciation	8,174,831			(8,174,831)		(8,174,831)	(5,747,264)
Total Governmental Activities	232,357,987		7,752,618	(224,605,369)		(224,605,369)	(217,133,255)
Business-Type Activities:							
Food Service	5,185,881	3,099,881	1,877,730		(208,270)	(208,270)	104,467
Corporate Center	817,782	667,877			(149,905)	(149,905)	(292,340)
Day Care Center	811,474	722,030			(89,444)	(89,444)	7,235
Bennett Complex	271,046	366,712			95,666	95,666	
Pine Belt Arena	276,295	356,569			80,274	80,274	410,925

**TOMS RIVER REGIONAL SCHOOL DISTRICT
COMBINED STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2012	JUNE 30, 2011
Total Business-Type Activities	7,362,478	5,213,069	1,877,730		(271,679)	(271,679)	230,287
Total Primary Government	\$239,720,465	5,213,069	9,630,348	(224,605,369)	(271,679)	(224,877,048)	(216,902,968)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				131,104,192		131,104,192	126,219,467
Taxes Levied for Debt Service				6,303,660		6,303,660	6,427,760
Federal & State Aid Not Restricted				84,568,143		84,568,143	77,052,160
Investment Earnings				7	1,954	1,961	58,380
Transfer from/(to) Other Funds				192,280	(192,280)		
Miscellaneous Income				3,538,549		3,538,549	3,517,281
Total General Revenues, Special Items, Extraordinary Items & Transfers				225,706,831	(190,326)	225,516,505	213,275,048
Change In Net Assets				1,101,462	(462,005)	639,457	(3,627,920)
Net Assets - Beginning (Unadjusted)				33,080,138	9,999,261	43,079,399	54,223,106
Prior Period Change in Fund Balance (See Note 20)				75,769,950	2,431,254	78,201,204	(7,515,787)
Net Assets - Beginning (Adjusted)				108,850,088	12,430,515	121,280,603	46,707,319
Net Assets - Ending				\$109,951,550	11,968,510	121,920,060	43,079,399

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

B. Fund Financial Statements

Governmental Funds

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$6,587,924		205,706	93	6,793,723	106,083
Restricted Cash	5,800,065				5,800,065	5,796,119
Interfund Receivable	57,006			91,594	148,600	40,469
Accounts Receivable:						
Federal	853,772	718,730			1,572,502	1,553,728
State	707,638	19,432			727,070	1,302,982
Other	462,952	897			463,849	1,386,406
Advance Deposit	4,071,000				4,071,000	3,756,000
Total Assets	\$18,540,357	739,059	205,706	91,687	19,576,809	13,941,787
LIABILITIES & FUND BALANCES						
Liabilities:						
Cash Deficit		25,342			25,342	7,937,628
Accounts Payable	\$3,122,089	325,005			3,447,094	1,567,167
Payable to Federal Government		199			199	53
Payable to State Government		256,096			256,096	86,594
Interfund Payable	18,389		91,594		109,983	13,000
Accrued Liability for Insurance C	1,375,000				1,375,000	
Other Liabilities	182,828				182,828	
Deferred Revenue	6,502,270	132,417			6,634,687	136,839
Total Liabilities	11,200,576	739,059	91,594		12,031,229	9,741,281
Fund Balances:						
Restricted for:						
Capital Reserve	2,449,049				2,449,049	2,447,392
Maintenance Reserve	2,646,403				2,646,403	2,644,588
Emergency Reserve	704,613				704,613	704,139
Excess Surplus	174,783				174,783	
Committed for:						
Other Purposes						12,799
Assigned for:						
Other Purposes	1,364,933				1,364,933	
Unreserved - Reported in:						
General Fund						(1,951,224)
Debt Service Fund				91,687	91,687	106,165
Capital Projects Fund			114,112		114,112	236,647
Total Fund Balances	7,339,781		114,112	91,687	7,545,580	4,200,506
Total Liabilities & Fund Balances	\$18,540,357	739,059	205,706	91,687		

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 resources and therefore are not reported in the funds. The cost of the assets is \$373,133,489 and the accumulated depreciation is \$189,354,584.	189,416,151	120,187,835
Accrual of bond and lease interest are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,391,446)	(1,449,966)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 7)	(85,618,735)	(89,858,237)
Net assets of Governmental Activities	\$109,951,550	33,080,138

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2012	JUNE 30, 2011
						(MEMORANDUM ONLY)
Revenues:						
Local Tax Levy	\$131,104,192			6,303,660	137,407,852	132,647,227
Tuition Charges	1,416,542				1,416,542	870,836
Transportation Fees	149,326				149,326	180,438
Interest on Investments			7		7	54,155
Miscellaneous	1,928,538	150,059			2,078,597	3,027,778
Total Local Sources	134,598,598	150,059	7	6,303,660	141,052,324	136,780,434
Intermediate Sources						4,778
State Sources	81,510,059	810,414		362,645	82,683,118	77,820,687
Federal Sources	2,695,439	6,836,288			9,531,727	8,532,810
Total Revenues	218,804,096	7,796,761	7	6,666,305	233,267,169	223,138,709
Expenditures:						
Current:						
Regular Instruction	60,311,306	5,624,421			65,935,727	66,235,265
Special Education Instruction	14,817,304				14,817,304	13,913,417
Other Special Instruction	1,323,853				1,323,853	1,378,203
Vocational Education	1,564,781				1,564,781	1,515,261
Other Instruction	3,699,586				3,699,586	4,006,264
Adult Continuing Education	28,290				28,290	23,848
Support Services & Undistributed Costs:						
Tuition	2,985,309				2,985,309	2,070,901
Student & Instruction Related Services	16,287,137	2,128,197			18,415,334	18,713,173
General Administrative Services	1,913,430				1,913,430	2,237,326
School Administrative Services	10,017,867				10,017,867	10,150,928
Plant Operations & Maintenance	15,848,523				15,848,523	17,398,949
Student Transportation	11,314,786				11,314,786	10,923,759
Unallocated Benefits	74,118,411				74,118,411	68,242,373
Special Schools	26,900				26,900	42,143
Debt Service:						
Principal				3,628,748	3,628,748	3,493,748
Interest & Other Charges				3,143,636	3,143,636	3,272,813
Capital Outlay	1,545,314	44,143	43,740		1,633,197	1,261,461
Total Expenditures	215,802,797	7,796,761	43,740	6,772,384	230,415,682	224,879,832
Other Financing Sources/(Uses):						
Transfer from/(to) Other Funds	192,280		(91,601)	91,601	192,280	513,209
Capital Leases (Nonbudgeted)	301,307				301,307	180,134
Total Other Financing Sources/(Uses)	493,587		(91,601)	91,601	493,587	693,343
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	3,494,886		(135,334)	(14,478)	3,345,074	(1,047,780)
Fund Balance - July 1 (unadjusted)	3,844,895		249,446	106,165	4,200,506	12,764,073
Prior Period Adjustment						(7,515,787)
Fund Balance - July 1 (adjusted)	3,844,895		249,446	106,165	4,200,506	5,248,286
Fund Balance - June 30	\$7,339,781		114,112	91,687	7,545,580	4,200,506

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Total Net Change in Fund Balances - Governmental Funds (From B-2)		\$3,345,074
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Depreciation Expense	(\$8,174,831)	
Capital Outlay Expenditures Less Disposals	1,633,197	(6,541,634)

Repayment of bond and loan 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.		3,669,297
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Repayment of capital lease 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.		172,181
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Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets:

Capital Lease Proceeds		(484,135)
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Accrual of interest of capital leases and bonds is not an expenditure in the governmental funds, but the adjustment is charged to expense and is reported in the statement of activities.

Current Year	(1,391,446)	
Prior Year	1,449,966	58,520

In the statement of activities, certain operating expenses, e.g. compensated expenses (vacations & sick time) 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 paid. When the paid amount exceeds the earned amount the difference is an addition to the reconciliation.

Current Year	(14,572,145)	
Prior Year	15,454,304	882,159

Change in Net Assets of Governmental Activities		\$1,101,462
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The accompanying Notes to Financial Statements are an integral part of this statement.

Proprietary Funds

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
COMBINED STATEMENT OF NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					TOTALS	
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	BENNETT COMPLEX	PINE BELT ARENA	JUNE 30, 2012	JUNE 30, 2011 <small>(MEMORANDUM ONLY)</small>
Current Assets:							
Cash & Cash Equivalents	\$1,154,562	116,322	78,219	1,193,170	827,239	3,369,512	3,701,342
Accounts Receivable:							
State	1,782					1,782	2,290
Federal	62,443					62,443	68,423
Other	37,978					37,978	5,344
Inventories	70,724					70,724	73,013
Interfund Receivable				18,389		18,389	
Other Current Assets	3,167	67,844	95,000			166,011	78,314
Total Current Assets	1,330,656	184,166	173,219	1,211,559	827,239	3,726,839	3,928,726
Noncurrent Assets:							
Capital Assets, Net	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Total Noncurrent Assets	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Total Assets	1,820,209	5,426,477	177,069	1,854,088	3,184,662	12,462,505	10,335,169
LIABILITIES							
Current Liabilities:							
Accounts Payable		101,600				101,600	91,757
Deferred Revenue	78,369	102,802				181,171	71,370
Compensated Absences Payable	92,536					92,536	97,108
Tenant Security Deposits		61,682				61,682	47,926
Other Current Liabilities							278
Interfund Payable					57,006	57,006	27,469
Total Current Liabilities	170,905	266,084			57,006	493,995	335,908
NET ASSETS							
Invested in Capital Assets, Net	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Unrestricted	1,159,751	(81,918)	173,219	1,211,559	770,233	3,232,844	3,592,818
Total Net Assets	\$1,649,304	5,160,393	177,069	1,854,088	3,127,656	11,968,510	9,999,261

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	COMMUNITY CENTER	COMMUNITY CENTER	JUNE 30, 2012	JUNE 30, 2011
Operating Revenues:							
Charges for Services:							
Sales	\$3,099,281			91,837	105,400	3,296,518	3,674,371
Fees Collected	600		722,030		118,950	841,580	794,338
Rental Income		667,877		270,954	119,950	1,058,781	992,712
Miscellaneous Income				3,921	12,269	16,190	
Total Operating Revenues	3,099,881	667,877	722,030	366,712	356,569	5,213,069	5,461,421
Operating Expenses:							
Cost of Sales	2,473,360					2,473,360	2,524,319
Salaries	2,101,032		488,375	135,250	43,479	2,768,136	2,511,544
Employee Benefits	418,089		76,530		6,108	500,727	410,442
Other Purchased Professional Services & Security		90,812		16,390	31,188	138,390	226,847
Cleaning, Repair & Maintenance Services	30,171	81,327		14,746	8,314	134,558	172,484
General Supplies		13,100	75,029	56,690	74,031	218,850	203,702
Rent	38,000		170,000			208,000	150,000
Travel	6,048					6,048	4,900
Communications		1,527				1,527	2,223
Utilities	30,000	242,360		27,544	33,463	333,367	364,184
Miscellaneous	14,538	214,528		1,187	128	230,381	227,572
Depreciation	74,643	142,372	1,540	19,239	79,584	317,378	232,793
Amortization Expense		31,756				31,756	31,809
Total Operating Expenses	5,185,881	817,782	811,474	271,046	276,295	7,362,478	7,062,819
Operating Income/(Loss)	(2,086,000)	(149,905)	(89,444)	95,666	80,274	(2,149,409)	(1,601,398)
Nonoperating Revenues/(Expenses):							
State Sources:							
State School Lunch Program	49,311					49,311	49,966
Federal Sources:							
National School Lunch Program	1,421,464					1,421,464	1,391,819
National School Breakfast Program	132,999					132,999	109,017
Food Distribution Program	273,956					273,956	280,883
Transfer to General Fund							(513,209)
Interest & Investment Revenue	1,851	82			21	1,954	4,225
Total Nonoperating Revenues/(Expenses)	1,879,581	82			21	1,879,684	1,322,701
Other Financing Sources/(Uses):							
Transfer to General Fund					(80,000)	(80,000)	
Return on Investment to General Fund				(20,972)	(91,308)	(112,280)	
Total Other Financing Sources/(Uses)				(20,972)	(171,308)	(192,280)	
Change in Net Assets	(206,419)	(149,823)	(89,444)	74,694	(91,013)	(462,005)	(278,697)
Total Net Assets - Beginning (Unadjusted)	1,750,071	5,630,991	613,619	1,167,700	836,880	9,999,261	10,277,958
Prior Period Change in Fund Balance (See Note 20)	105,652	(320,775)	(347,106)	611,694	2,381,789	2,431,254	
Total Net Assets - Beginning (Adjusted)	1,855,723	5,310,216	266,513	1,779,394	3,218,669	12,430,515	10,277,958
Total Net Assets - Ending	\$1,649,304	5,160,393	177,069	1,854,088	3,127,656	11,968,510	9,999,261

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	BENNETT COMPLEX	PINE BELT ARENA	JUNE 30, 2012	JUNE 30, 2011
Cash Flows From Operating Activities:							
Receipts from Customers	\$3,065,735	678,347	727,374	366,712	356,569	5,194,737	5,492,226
Payments to Employees	(2,105,604)		(564,905)	(153,639)	638	(2,823,510)	(2,524,396)
Payments for Employee Benefits	(418,089)					(418,089)	(330,439)
Payments to Suppliers	(2,492,566)	(861,672)	(687,135)	(116,557)	(147,124)	(4,305,054)	(3,885,212)
Net Cash Provided/(Used) by Operating Activities	(1,950,524)	(183,325)	(524,666)	96,516	210,083	(2,351,916)	(1,247,821)
Cash Flows From Noncapital Financing Activities:							
State Sources	49,819					49,819	54,487
Federal Sources	1,834,399					1,834,399	1,559,871
Operating Subsidies & Transfers to Other Funds	(20,688)					(20,688)	(232,326)
Net Cash Provided/(Used) by Noncapital Financing Activities	1,863,530					1,863,530	1,382,032
Cash Flows From Capital & Related Financing Activities:							
Acquisition of Property & Construction	(190,707)	(25,000)		(50,074)	(55,218)	(320,999)	(37,983)
Adjustments to Property & Construction		320,775	347,106			667,881	
Transfer to General Fund				(20,972)	(171,308)	(192,280)	
Net Cash Provided/(Used) by Capital & Related Financing Activities	(190,707)	295,775	347,106	(71,046)	(226,526)	154,602	(37,983)
Cash Flows From Investing Activities:							
Interest & Dividends	1,851	82			21	1,954	4,225
Net Cash Provided/(Used) by Investing Activities	1,851	82			21	1,954	4,225
Net Increase/(Decrease) in Cash & Cash Equivalents	(275,850)	112,532	(177,560)	25,470	(16,422)	(331,830)	100,453
Balances - Beginning of Year	1,430,412	3,790	255,779	1,167,700	843,661	3,701,342	3,600,889
Balances - End of Year	\$1,154,562	116,322	78,219	1,193,170	827,239	3,369,512	3,701,342
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:							
Operating Income/(Loss)	(\$2,086,000)	(149,905)	(89,444)	95,666	80,274	(2,149,409)	(1,601,398)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:							
Depreciation Expense	74,643	142,372	1,540	19,239	79,584	317,378	185,347
Prior Period Adjustment	105,652	(320,775)	(347,106)			(562,229)	
(Increase)/Decrease In:							
Accounts Receivable	(37,978)		5,344			(32,634)	
Inventory	2,289					2,289	(3,264)
Other Current Assets	(3,167)	10,470	(95,000)			(87,697)	3,905
Increase/(Decrease) In:							
Accounts Payable	(8,390)	18,233				9,843	91,757
Compensated Absences Payable	(4,572)					(4,572)	39,683
Deferred Revenue	6,999	102,524				109,523	8,679
Interfunds Payable				(18,389)	50,225	31,836	27,469
Tenant Security Deposits		13,756				13,756	1
Total Adjustments	135,476	(33,420)	(435,222)	850	129,809	(202,507)	353,577
Net Cash Provided/(Used) by Operating Activities	(\$1,950,524)	(183,325)	(524,666)	96,516	210,083	(2,351,916)	(1,247,821)

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



Fiduciary Fund



**TOMS RIVER REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINED STATEMENT OF FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	AGENCY FUND	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$5,425,458	76,361	5,965,996	11,467,815	11,091,265
Total Assets	5,425,458	76,361	5,965,996	11,467,815	11,091,265
LIABILITIES					
Payable to Student Groups			558,537	558,537	572,655
Payable- Quarterly Unemployment	93,990			93,990	77,899
Savings Bond			1,285	1,285	1,286
Payroll Deductions & Withholdings			5,406,174	5,406,174	5,041,828
Total Liabilities	93,990		5,965,996	6,059,986	5,693,668
NET ASSETS					
Held in Trust for Unemployment Claims & Other Purposes	5,331,468			5,331,468	5,312,286
Reserved for Scholarships		76,361		76,361	85,311
Total Net Assets	\$5,331,468	76,361	-	5,407,829	5,397,597

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	PRIVATE PURPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
ADDITIONS:				
Contributions:				
Plan Members	\$377,700		377,700	342,812
Donations		11,776	11,776	16,441
Total Contributions	377,700	11,776	389,476	359,253
Investment Earnings:				
Interest	1,824	584	2,408	7,003
Net Investment Earnings	1,824	584	2,408	7,003
Total Additions	379,524	12,360	391,884	366,256
DEDUCTIONS:				
Quarterly Contribution Reports	165,700		165,700	135,316
Quarterly Unemployment Claims	194,642		194,642	198,786
Scholarship Payments		21,250	21,250	21,602
Service Charges		60	60	510
Total Deductions	360,342	21,310	381,652	356,214
Change in Net Assets	19,182	(8,950)	10,232	10,042
Net Assets - Beginning of the Year	5,312,286	85,311	5,397,597	5,387,555
Net Assets - End of the Year	\$5,331,468	76,361	5,407,829	5,397,597

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012**



TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies

The financial statements of the Toms River Regional School District ("District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued codification of governmental accounting and financial standards dated June 30, 2000. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

This financial report has been prepared in accordance with GASB Statement No. 34, Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments, issued in June 1999. Significant changes included in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of its operations.
- Financial statements prepared using full accrual accounting for all of the District's activities.
- A change in the fund financial statements to focus on the major funds.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in prior fiscal years: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 - *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 – *Economic Condition Reporting – The Statistical Section*; Statement 45 – *Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions*; and Statement 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*.

These and other changes are reflected in the accompanying financial statements. The more significant of the District's accounting policies are described below:

A. Reporting Entity

The Toms River Regional School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board consists of nine members elected to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves their budget, the issuance of their debt, or the levy of taxes. The District has no component units. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

The District also applies Financial Accounting Standards Board pronouncements issued on or before November 30, 1989 to its governmental and business-type activities and proprietary funds provided they do not conflict with or contradict GASB pronouncements.

B. Basic Financial Statements - Government-wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements. The government-wide financial statements categorize primary activities as either governmental or business-type.

The government-wide statement of net assets is reported on the full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support. The District's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net costs of each of the District's functions. The net costs by function are normally supported by general revenues (property taxes, unrestricted intergovernmental revenues and investment income). The direct expenses of a given function or business segment, including depreciation expense, are offset by program revenues. Program revenues must be directly associated with the functional expense and includes charges for services, operating grants restricted to a specific function and capital grants and contributions.

The District does not allocate indirect costs. In creating the government-wide financial statements the District has eliminated interfund transactions.

The District maintains a policy of utilizing restricted resources first in financing qualified activities.

C. Basic Financial Statements - Fund Financial Statements

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, revenue and expenditures. Governmental resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

C. Basic Financial Statements - Fund Financial Statements (continued):

not directly affect the expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types - Governmental funds are those funds through which most of the District's functions are typically financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities are accounted for through governmental funds.

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds.)

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund Types

Enterprise (Food Service) Fund: This enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations for all 18 schools, plus the Café at 1144 Hooper Avenue. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation expense and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Corporate Center: In April 1997 the District acquired a commercial office building for \$6,347,009. The District's administrative offices are maintained and currently several ancillary school services are being incorporated. The District renovated vacant office space for use as additional classrooms, day care facility and a cafe servicing both school board and tenant employees.

The District has entered into contract with Atlantic Coast Reality Appraisal Group, Inc. to provide professional management services in connection with the rental agreements with its commercial tenants.

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

C. Basic Financial Statements - Fund Financial Statements (continued):

Daycare Center: The Daycare Center ("Center") is run as its own separate entity. The Center provides services primarily for District employees. The Center operates from September to June and is open 184 days per year.

John Bennett Athletic Complex: The John Bennett Athletic Complex is used as the gymnasium for Intermediate School East. The Complex is an air structure used for indoor track and sporting events that is also rented by outside parties.

Pine Belt Arena: The Pine Belt Arena is on the campus of High School North and is a facility that is used as the high school gymnasium during school hours but is rented to other parties for various sporting events, trade shows, and concerts during after school hours.

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Expendable Trust Funds (Unemployment Compensation Insurance Fund and Scholarship Fund): Expendable trust funds are used to account for assets held under the terms of a formal trust agreement, whereby the District may make expenditures against both the trust principal and any interest earned thereon.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

Account Groups

In addition to the funds listed above, the District maintains two account groups as follows:

General Fixed Assets Account Group: All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Fixed assets related to food service operations and the childcare programs are accounted for in the enterprise fund and are considered fund fixed assets.

General Long-Term Debt Account Group: All unmatured general long-term liabilities of the District (excluding those of proprietary fund types or trust funds) are accounted for in the general long-term debt account group. This includes serial bonds outstanding, which are expected to be financed from governmental funds, the outstanding principal balance on capital leases and the noncurrent portion of the liability for compensated absences.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

D. Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources focus and the governmental-wide statement uses the economic resources measurement focus.

Accrual

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. The accrual basis of accounting is also used for measuring financial position and operating results of proprietary fund types. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

The modified accrual basis of accounting is used for measuring the financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on or around the third Tuesday in April. Effective February 9, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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:23-1.2*. All budget amendments must be approved by School Board resolution.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

E. Budgets/Budgetary Control (continued):

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

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

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

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types:

**Notes to Required Supplementary Information.
Budgetary Comparison Schedule**

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) "revenues" from the budgetary comparison schedules	\$219,219,914	\$8,157,241
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		(360,480)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	6,109,235	

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

E. Budgets/Budgetary Control (continued):

	General Fund	Special Revenue Fund
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(6,525,053)</u>	<u> </u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$218,804,096</u>	<u>\$7,796,761</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$215,802,797	\$8,157,241
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized	<u> </u>	<u>(360,480)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$215,802,797</u>	<u>\$7,796,761</u>

F. Encumbrances

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

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

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

G. Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less from the date of purchase are stated at cost.

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

G. Cash and Cash Equivalents (continued):

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 1BA:20-37 provides a list of permissible investments that may be purchased by New Jersey School Districts.

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

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

H. Short-Term Interfund Receivables/Payables

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

I. Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis, and are expensed when used.

Inventories in governmental funds are stated at cost by the first-in, first-out method. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, an estimated value of inventories is being reported as an asset in the general fund. The inventory in the general fund is equally offset by a fund balance reserve which indicates they do not constitute "available spendable resources" even though they are a component of net current assets. There was no material balance of inventory in governmental funds at June 30, 2012.

A physical inventory of the food services fund was taken as of June 30, 2012. The inventory consisted of purchased commodities and supplies both valued using the first-in, first-out method. The District values government commodities at their estimated fair market value and reports any unused commodities as deferred revenue.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

J. Prepaid Expenses

In both the government-wide and fund financial statements, prepaid expenses are recorded as assets in the specific governmental fund in which the future benefit will be received.

K. Allowance for Uncollectible Accounts

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

L. Capital Assets

Capital assets purchased or acquired are capitalized at historical costs or estimated historical costs and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets as defined by the District are those assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of one year. Management has also elected to include certain homogenous asset categories with individual balances less than \$2,000 as composite groups for financial reporting purposes. Donated capital assets are recorded at their estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

Buildings & Building Improvements	20 - 50 years
Furniture & Fixtures	7 - 20 years
Machinery & Equipment	5 - 12 years
Vehicles	5 - 20 years

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term debt obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

N. Compensated Absences for Vacation and Sick Leave

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

The long-term liability for vested compensated absences of the governmental fund type is recorded in the government-wide financial statements as the benefits accrued to employees. As of June 30, 2012 the compensated absences liability for governmental funds was \$14,572,145.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2012 the liability for compensated absences in the proprietary fund types was \$92,536.

O. Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2012 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligibility requirements are met are also recorded as deferred revenue.

P. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties. Designated fund balances represent plans for future use of financial resources. Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds.

Q. Net Assets

Net assets represent the difference between assets and liabilities in the government-wide financial statements. Net assets invested in capital assets are reported net of related debt and accumulated depreciation. Net assets are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

R. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

R. Allocation of Indirect Expenses (continued):

reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

T. Memorandum Only - Total Columns

Total columns are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither are such data comparable to a consolidation.

U. Comparative Data

Comparative total data for the prior year had been presented in order to provide an understanding of changes to the District's financial position and operations. Certain 2011 amounts have been reclassified to conform to the 2012 presentation.

V. Use of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

W. Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2012 through October 26, 2012, which is the date the financial statements were available to be issued.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 2. Cash and Cash Equivalents

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2012, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$27,405,773</u>
Total Deposits	<u>\$27,405,773</u>
Reconciliation of Statements of Net Assets:	
Governmental Funds	\$12,568,446
Proprietary Fund	3,369,512
Fiduciary Fund	<u>11,467,815</u>
Total Cash and Cash Equivalents	<u>\$27,405,773</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$29,893,038 at June 30, 2012. Of the bank balance \$983,693 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$28,909,345 was secured by a collateral pool held by the bank, but not in the District’s name, as required by New Jersey statutes.

Insured	\$ 983,693
Collateralized in the District’s Name	
Under GUDPA (See Note 3)	<u>28,909,345</u>
Total	<u>\$29,893,038</u>

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2012 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits,

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 4. Receivables

Receivables at June 30, 2012, consisted of accounts, accrued interest, inter-fund, intergovernmental and property taxes. All receivables are considered collectible in full. A summary of the principal items of inter-governmental receivables follows:

	GAAP BASIS	BUDGET BASIS
Federal Assistance	\$1,634,945	\$1,634,945
State Assistance	<u>728,852</u>	<u>7,253,905</u>
Total	<u>\$2,363,797</u>	<u>\$8,888,850</u>

Note 5. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the District's Board of Education by resolution on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a District may increase the balance in the capital reserve by appropriating funds in the annual general budget certified for taxes. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 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.

Beginning Balance, July 1, 2011	\$2,447,392
Interest Earnings	<u>1,657</u>
Ending Balance, June 30, 2012	<u>\$2,449,049</u>

B. Maintenance Reserve

A maintenance reserve account was established by the Toms River Regional School District during the 2003-2004 school year for the accumulation of funds for use as maintenance expenditures in

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 5. Reserve Accounts (continued):

subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.18A:7G-9*) as amended by P.L. 2004, c. 73 (*S1701*). Districts may only increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C. 6A:23A-14.2*) or by deposit of any unanticipated revenue or unexpended line-item appropriation by board resolution at year end. The board resolution for deposit at year end into a maintenance reserve account must be made between June 1 and June 30 of the budget year. EFCFA requires that upon District completion of a school facilities project, the district must submit a plan for the maintenance of that facility. Auditors and District staff should refer to the regulations, *N.J.A.C.6A:26A*, for further guidance. A separate line is provided in the Audsum for this reserve account.

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

Beginning Balance, July 1, 2011	\$2,644,588
Interest Earnings	<u>1,815</u>
Ending Balance, June 30, 2012	<u>\$2,646,403</u>

C. Emergency Reserve

An emergency reserve account was established by the Toms River Regional School District during the 2006-2007 school year for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with *N.J.S.A. 18A:7F-41c(1)* to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

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

Beginning Balance, July 1, 2011	\$704,139
Interest Earnings	<u>474</u>
Ending Balance, June 30, 2012	<u>\$704,613</u>

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 6. Fixed Assets

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

	Land	Buildings & Building Improvements	Machinery and Equipment	Total
Governmental Activities:				
Total Assets, Beginning	\$5,189,540	\$184,781,662	\$23,243,347	\$213,214,549
Additions:				
Capital Outlay/Projects		293,849	1,404,907	1,698,756
Disposals & Adjustments	<u>179,383</u>	<u>167,815,333</u>	<u>(2,524,880)</u>	<u>165,469,866</u>
Total Assets, Ending	<u>5,368,923</u>	<u>352,890,844</u>	<u>22,123,374</u>	<u>380,383,141</u>
Accumulated Depreciation,				
Beginning		88,048,185	4,978,528	93,026,713
Additions		7,339,613	835,218	8,174,831
Disposals & Adjustments		<u>75,853,979</u>	<u>13,911,467</u>	<u>89,765,446</u>
Total Accumulated Depreciation, Ending		<u>171,241,777</u>	<u>19,725,213</u>	<u>190,966,990</u>
Governmental Activity, Capital Assets, net	<u>\$5,368,923</u>	<u>\$181,649,067</u>	<u>\$ 2,398,161</u>	<u>\$189,416,151</u>
Business-Type Activities:				
Total Assets, Beginning	\$1,459,715	\$6,580,966	\$990,491	\$9,031,172
Additions		85,817	129,530	215,347
Disposals/Adjustments	<u>(38,115)</u>	<u>3,218,904</u>	<u>1,037,581</u>	<u>4,218,370</u>
Total Assets, Ending	<u>1,421,600</u>	<u>9,885,687</u>	<u>2,157,602</u>	<u>13,464,889</u>
Accumulated Depreciation,				
Beginning	1,143	2,024,183	599,402	2,624,728
Additions		420,953	77,666	498,619
Disposals/Adjustments	<u>(1,143)</u>	<u>739,517</u>	<u>867,502</u>	<u>1,605,876</u>
Total Accumulated Depreciation, Ending	<u>-</u>	<u>3,184,653</u>	<u>1,544,570</u>	<u>4,729,223</u>
Enterprise Fund Capital Assets, net	<u>\$1,421,600</u>	<u>\$6,701,034</u>	<u>\$613,032</u>	<u>\$8,735,666</u>

Depreciation expense for the fiscal year ended June 30, 2012 amounted to \$8,174,831 for governmental funds and \$317,378 for business-type funds. The District determined that it was impractical to allocate depreciation to the various governmental activities as the assets serve various functions. During the 2011-2012 school year, the District had an appraisal performed by American Appraisal. The District elected to have the fixed asset numbers agree to the appraisal report.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 7. General Long-Term Debt

During the fiscal year ended June 30, 2012 the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance June 30, 2011	Additions	Retirements/ Adjustments	Balance June 30, 2012	Due within One Year
Bonds Payable	\$70,799,000		\$3,405,000	\$67,394,000	\$3,535,000
Compensated Absences Payable	15,454,304		882,159	14,572,145	
Notes Payable	3,461,507		264,297	3,197,210	267,778
Capital Leases Payable	143,426	\$484,135	172,181	455,380	147,809
Total	<u>\$89,858,237</u>	<u>\$484,135</u>	<u>\$4,723,637</u>	<u>\$85,618,735</u>	<u>\$3,950,587</u>

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are General Obligation Bonds.

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

Fiscal Year Ending	Principal	Interest	Total
2013	\$ 3,535,000	\$ 2,986,714	\$ 6,521,714
2014	3,675,000	2,847,427	6,522,427
2015	3,830,000	2,692,201	6,522,201
2016	4,000,000	2,523,506	6,523,506
2017	4,175,000	2,343,499	6,518,499
2018-2022	23,915,000	8,709,863	32,624,863
2023-2027	20,775,000	2,717,888	23,492,888
2028-2031	<u>3,489,000</u>	<u>158,781</u>	<u>3,647,781</u>
Total	<u>\$67,394,000</u>	<u>\$24,979,879</u>	<u>\$92,373,879</u>

On February 21, 2012, the Board approved a bond refunding ordinance on the Series 2003 bonds. As of the date of this report, the present value savings did not exceed 3% and no bonds have been issued.

Notes Payable

Principal and interest due on notes payable outstanding is as follows:

TOMS RIVER REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012

Note 7. General Long-Term Debt (continued):

Fiscal Year Ending	Principal	Interest	Total
2013	\$ 267,778	\$115,902	\$ 383,680
2014	271,558	109,406	380,964
2015	234,747	102,893	337,640
2016	239,203	96,335	335,538
2017	244,041	89,394	333,435
2018-2022	1,491,468	328,053	1,819,521
2023-2027	<u>448,415</u>	<u>91,871</u>	<u>540,286</u>
Total	<u>\$3,197,210</u>	<u>\$933,854</u>	<u>\$4,131,064</u>

Capital Leases Payable

The District is leasing various items under capital leases. Following is a schedule of the future minimum lease payments and the present net value of the net minimum payments at June 30, 2012:

Fiscal Year Ending	Principal	Interest	Total
2013	\$147,809	\$23,892	\$171,701
2014	127,157	21,079	148,236
2015	102,338	14,668	117,006
2016	<u>78,076</u>	<u>9,514</u>	<u>87,590</u>
Total	<u>\$455,380</u>	<u>\$69,153</u>	<u>\$524,533</u>

Note 8. GASB #54 Fund Balance Disclosures

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Toms River Regional School District classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 8. GASB #54 Fund Balance Disclosures (continued):

- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

General Fund – Of the \$7,339,781 General Fund fund balance at June 30, 2012, \$2,449,049 has been restricted for the capital reserve account; \$2,646,403 has been restricted for the maintenance reserve account; \$704,613 has been restricted for the emergency reserve account, \$174,783 is restricted for excess surplus, and \$1,364,933 has been assigned for other purposes.

The Toms River Regional School District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Toms River Regional School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds i.e. General Fund, other than the Special Revenue Fund, are reported as reservation of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the General Fund at June 30, 2012 were \$1,437,328.

Debt Service Funds

Of the Debt Service Fund balance at June 30, 2012, \$91,687 is unreserved and undesignated.

Note 9. Pension Plans

Description of Plans:

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

TOMS RIVER REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 9. Pension Plans (continued):

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the System's other related non-contributing employers. Membership is mandatory for substantially all teachers and members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified. The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be $1/60$ of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. They may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Significant Legislation

During the fiscal year ended June 30, 1997, legislation was enacted authorizing the New Jersey Economic Development Authority (the "Authority") to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the fiscal year ended June

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 9. Pension Plans (continued):

30, 1997 (Chapter 115, P.L. 1997), the asset valuation method was changed from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rates under TPAF and PERS by % of 1 percent to 4.5 percent for calendar years 1998 and 1999, and to allow for a similar reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund might be reduced based on the revaluation of assets. Due to the recognition of the bond proceeds and the change in asset valuation method as a result of the enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$3,375,594	100%	\$ -0-
6/30/11	3,193,445	100%	-0-
6/30/10	2,485,760	100%	-0-

Three-Year Trend Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$8,577,970	100%	\$ -0-
6/30/11	6,045,900	100%	-0-
6/30/10	5,872,675	100%	-0-

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$8,577,970 to the TPAF for normal and post-retirement medical benefits on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$6,347,353 during the fiscal year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 9. Pension Plans (continued):

calculated on their base salaries. These amounts have been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 34.

Note 10. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 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 post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a 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 11. Deferred Compensation

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

AIG/Valic	AXA Equitable
Legend Group/NEA Program	McGuckin Financial
Siracusa Benefits Program	Travelers Citistreet
Asset Management Services Group	Discovery Financial
Lincoln Investment Planning	MetLife
Tom Seeley Agency	

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 12. Risk Management

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

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey

Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

Fiscal Year	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2011-2012	\$377,700	\$1,824	\$360,342	\$5,331,468
2010-2011	342,812	5,923	334,102	5,312,286
2009-2010	393,305	-	371,046	5,297,653

Property and Liability Insurance

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

Note 13. Contingent Liabilities

Litigation

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

On October 21, 2010, Superintendent of Schools, Michael J. Ritacco, tendered his letter of retirement. On the same date he was indicted by the U.S. Department of Justice. On April 5, 2012, Michael J. Ritacco plead guilty to mail fraud and tax evasion. Inevitably the indictment included 27 counts of bribery and corruption charges. The Board of Education has requested the district administration and legal counsel to take the appropriate steps required to recover district funds should a claim or loss be identified. Unused sick days and vacation time accrued under Mr. Ritacco's contract totaled \$63,125 and is being held at the direction of the board, pending adjudication of such charges. All applicable insurance carriers have been notified in connection with a potential claim. No liability has been recorded in regards to this matter as the potential loss cannot be ascertained at this time.

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 14. Statement of Cash Flows

The District made no disbursements for interest or taxes in their Proprietary Funds during the fiscal year ended June 30, 2012.

Note 15. Interfund Balances

There following interfund balances remained on the balance sheet at June 30, 2012:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 57,006	\$ 18,389
Capital Projects Fund		91,594
Debt Service Fund	91,594	
Enterprise Fund	<u>18,389</u>	<u>57,006</u>
Total	<u>\$ 166,989</u>	<u>\$166,989</u>

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 16. Related Parties

The Governmental Accounting Standards Board Statement Number 39, Component Units, requires the inclusion of entities that are under common control or provide material support to the governmental reporting entity. The Toms River Technology Foundation, the Toms River Student Loan Fund, and other incorporated booster and student service entities do not meet the requirements as stated by GASB 39. Therefore, their statement of conditions and operation are not included in the reporting entity's Comprehensive Annual Financial Report.

Note 17. Deferred Pension Obligation

In 2009, the State of New Jersey permitted School Districts to defer up to 50% of their contributions due in 2009. The District elected this option, resulting in a deferral of \$958,051, which has been reported in the District's long-term liabilities section. The balance as of June 30, 2012 is \$1,104,206.

Note 18. Corporate Center Offices

The School District utilizes 34,554 square feet of the Corporate Center at 1144 Hooper Avenue for administrative office space. If the District had to rent this needed space in the existing office building rental market, the annual cost to the Board of Education would be approximately \$691,080 (assuming a rental rate of \$20 per square foot).

TOMS RIVER REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 19. Calculation of Excess Surplus

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund 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 District has excess fund balance of \$174,783 at June 30, 2012.

Note 20. Prior Period Adjustment

The District had a fixed asset appraisal performed by American Appraisal as of June 30, 2012. The District elected to have the fixed asset numbers agree to the appraisal report. The fixed asset balances were adjusted to agree with the historical cost as determined by the appraisal. The cumulative effect of these adjustments has resulted in a prior period adjustment of \$75,769,950 for Governmental Activities. The cumulative effect of these adjustments has resulted in a prior period adjustment of \$2,431,254 for Business-Type Activities.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

REVENUES	ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Local Sources:											
Local Tax Levy	10-1210	\$131,104,192		131,104,192	131,104,192		126,219,467		126,219,467	126,219,467	
Tuition	10-1300	893,277		893,277	1,416,542	523,265	323,410		323,410	870,836	547,426
Transportation Fees	10-1420-1440	100,000		100,000	149,326	49,326	476,590		476,590	180,438	(296,152)
Interest on Investments	10-1510	11,400		11,400		(11,400)	24,550		24,550	54,073	29,523
Rental Income	10-1910	35,000		35,000	164,538	129,538	75,350		75,350	104,019	28,669
Solar Credits	10-1990	1,000,000		1,000,000	1,315,703	315,703	1,000,000		1,000,000	1,378,800	378,800
Miscellaneous	10-1990	380,000		380,000	448,297	68,297	260,100		260,100	483,813	223,713
Total Local Sources		133,523,869		133,523,869	134,598,598	1,074,729	128,379,467		128,379,467	129,291,446	911,979
Intermediate Sources:											
Restricted Grants-In-Aid	10-2200								10,000	10,000	4,778 (5,222)
Total Intermediate Sources									10,000	10,000	4,778 (5,222)
State Sources:											
Categorical Transportation Aid	10-3121	4,531,932		4,531,932	4,531,932		4,531,932		4,531,932	4,531,932	
Non-Public Transportation Aid	10-3121				28,536	28,536				32,016	32,016
Categorical Special Education Aid	10-3132	8,557,865		8,557,865	8,557,865		8,557,865		8,557,865	8,557,865	
Extraordinary Aid	10-3131	226,349		226,349	679,102	452,753	226,349	498,999	725,348	725,348	
Equalization Aid	10-3176	40,108,293		40,108,293	40,108,293		40,108,293		40,108,293	40,108,293	
Categorical Security Aid	10-3177	1,766,358		1,766,358	1,766,358		1,766,358		1,766,358	1,766,358	
Adjustment Aid	10-3178	9,180,410		9,180,410	11,140,256	1,959,846	7,220,565		7,220,565	7,220,565	
TPAF Wage Freeze Grant	10-3xxx									124,510	124,510
Other Unrestricted State Aid	10-3xxx				188,212	188,212					
Nonbudgeted:											
Reimbursed TPAF Social Security Contributions	10-3902				6,347,353	6,347,353				6,295,225	6,295,225
On-Behalf TPAF Pensions Contributions	10-3901				8,577,970	8,577,970				6,045,900	6,045,900
Total State Sources		64,371,207		64,371,207	81,925,877	17,554,670	62,411,362	498,999	62,910,361	75,408,012	12,497,651
Federal Sources:											
Medicaid Reimbursement	10-4200	224,785		224,785	235,482	10,697	205,009		205,009	301,222	96,213
Ed Jobs Fund	10-4522	2,385,232	74,725	2,459,957	2,459,957						
Total Federal Sources		2,610,017	74,725	2,684,742	2,695,439	10,697	205,009		205,009	301,222	96,213
Total Revenues		200,505,093	74,725	200,579,818	219,219,914	18,640,096	190,995,838	508,999	191,504,837	205,005,458	13,500,621

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TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool/Kindergarten	11-110-100-101	1,889,327	85,653	1,974,980	1,974,980		2,200,000	(364,771)	1,835,229	1,835,229	
Grades 1 - 5	11-120-100-101	22,227,307	(299,419)	21,927,888	21,927,888		21,516,193	(280,214)	21,235,979	21,235,979	
Grades 6 - 8	11-130-100-101	13,380,016	(27,460)	13,352,556	13,352,556		13,850,000	(753,560)	13,096,440	13,096,440	
Grades 9 - 12	11-140-100-101	19,600,727	(121,116)	19,479,611	19,462,317	17,294	19,089,557	(124,486)	18,965,071	18,965,071	
Regular Programs - Home Instruction:											
Salaries of Teachers	11-150-100-101	350,000	51,738	401,738	401,738		276,747	100,889	377,636	377,636	
Purchased Professional - Educational Services	11-150-100-320	150,000	(30,413)	119,587	119,587		80,000	88,537	168,537	167,285	1,252
Regular Programs - Undistributed Instruction:											
Other Salaries for Instruction	11-190-100-106	257,141	(140,229)	116,912	116,912		413,000	(25,182)	387,818	387,818	
Purchased Professional - Educational Services	11-190-100-320	148,500	(22,801)	125,699	122,451	3,248	173,500	(54,924)	118,576	118,476	100
Purchased Technical Services	11-190-100-340	6,000	35,055	41,055	40,307	748	6,000	(6,000)			
Other Purchased Services	11-190-100-500	1,294,225	(419,212)	875,013	865,820	9,193	1,082,200	144,146	1,226,346	1,213,402	12,944
General Supplies	11-190-100-610	1,808,900	(310,776)	1,498,124	1,497,244	880	1,703,400	(347,497)	1,355,903	1,334,230	21,673
Textbooks	11-190-100-640	587,630	(217,511)	370,119	370,119		584,500	(154,995)	429,505	402,622	26,883
Other Objects	11-190-100-800	141,000	(74,838)	66,162	59,387	6,775	116,000	(38,646)	77,354	75,594	1,760
Total Regular Programs - Instruction		61,840,773	(1,491,329)	60,349,444	60,311,306	38,138	61,091,097	(1,816,703)	59,274,394	59,209,782	64,612
Special Education:											
Cognitive - Mild:											
Salaries of Teachers	11-201-100-101	298,117	(19,885)	278,232	278,232		301,000	(31,089)	269,911	269,911	
Other Salaries for Instruction	11-201-100-106	165,483	(994)	164,489	164,489		65,000	95,819	160,819	160,819	
Other Purchased Services	11-201-100-500	7,500	(7,500)				7,500	(7,500)			
General Supplies	11-201-100-610	3,000	(954)	2,046	2,046		3,000	(375)	2,625	2,504	121
Total Cognitive - Mild		474,100	(29,333)	444,767	444,767		376,500	56,855	433,355	433,234	121
Cognitive - Moderate:											
Salaries of Teachers	11-202-100-101	106,926	(1,593)	105,333	105,333		115,000	(14,635)	100,365	100,365	
Other Salaries for Instruction	11-202-100-106	48,073	(2,197)	45,876	45,876		47,500	(3,020)	44,480	44,480	
General Supplies	11-202-100-610	1,500	(1,096)	404	404		1,500	(395)	1,105	1,105	
Total Cognitive - Moderate		156,499	(4,886)	151,613	151,613		164,000	(18,050)	145,950	145,950	

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Learning and/or Language Disabilities:										
Salaries of Teachers	11-204-100-101	2,134,812	(903)	2,133,909	2,133,909	2,190,000	(171,918)	2,018,082	2,018,082	
Other Salaries for Instruction	11-204-100-106	1,577,603	256,436	1,834,039	1,834,039	1,080,000	577,446	1,657,446	1,657,446	
General Supplies	11-204-100-610	28,000	1,876	29,876	29,876	28,000	(1,033)	26,967	24,311	2,656
Total Learning and/or Language Disabilities		3,740,415	257,409	3,997,824	3,997,824	3,298,000	404,495	3,702,495	3,699,839	2,656
Auditory Impairments:										
Salaries of Teachers	11-207-100-101	168,744	(49,099)	119,645	119,645	170,000	(7,928)	162,072	162,072	
Other Salaries for Instruction	11-207-100-106	246,432	2,126	248,558	248,558	255,200	(15,873)	239,327	239,327	
General Supplies	11-207-100-610	1,800	1,467	3,267	3,267	1,800	(650)	1,150	1,150	
Total Auditory Impairments		416,976	(45,506)	371,470	371,470	427,000	(24,451)	402,549	402,549	
Behavioral Disabilities:										
Salaries of Teachers	11-209-100-101	479,882	(26,638)	453,244	453,244	589,000	(122,441)	466,559	466,559	
Other Salaries for Instruction	11-209-100-106	101,357	37,252	138,609	138,609	145,000	(52,120)	92,880	92,880	
Purchased Professional - Educational Services	11-209-100-320	34,000	(2,500)	31,500	31,500	34,000	(765)	33,235	33,235	
General Supplies	11-209-100-610	6,000	(2,510)	3,490	3,490	6,000	(1,601)	4,399	4,399	
Other Objects	11-209-100-800		562	562	562					
Total Behavioral Disabilities		621,239	6,166	627,405	627,405	774,000	(176,927)	597,073	597,073	
Multiple Disabilities:										
Salaries of Teachers	11-212-100-101	258,991	(12,921)	246,070	246,070	259,200	(13,402)	245,798	245,798	
Other Salaries for Instruction	11-212-100-106	189,930	20,377	210,307	210,307	120,000	114,997	234,997	234,997	
General Supplies	11-212-100-610	4,800	(6)	4,794	4,794	4,800	(367)	4,433	4,433	
Other Objects	11-212-100-800	500		500	500					
Total Multiple Disabilities		454,221	7,450	461,671	461,671	384,000	101,228	485,228	485,228	
Resource Room/Resource Center										
Salaries of Teachers	11-213-100-101	5,587,908	(10,733)	5,577,175	5,577,175	5,724,000	(334,041)	5,389,959	5,389,959	
Other Salaries for Instruction	11-213-100-106	39,352	16,836	56,188	56,188	15,500	22,750	38,250	38,250	
General Supplies	11-213-100-610	26,000	(1,095)	24,905	24,905	26,000	(857)	25,143	25,066	77
Textbooks	11-213-100-640	2,200	(177)	2,023	2,023	2,500	(2,500)			
Total Resource Room/Resource Center		5,655,460	4,831	5,660,291	5,660,291	5,768,000	(314,648)	5,453,352	5,453,275	77
Autism:										
Salaries of Teachers	11-214-100-101	882,713	110,832	993,545	993,545	776,000	76,481	852,481	852,481	
Other Salaries for Instruction	11-214-100-106	583,599	(24,413)	559,186	559,186	502,000	(2,560)	499,440	499,440	
Purchased Professional - Educational Services	11-214-100-320	200,000	29,258	229,258	194,355	34,903	65,000	155,755	142,220	13,535
General Supplies	11-214-100-610	8,000	17,377	25,377	25,331	46	8,000	(22)	7,978	

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Autism	1,674,312	133,054	1,807,366	1,772,417	34,949	1,351,000	164,654	1,515,654	1,502,119	13,535
Preschool Disabilities - Part Time:										
Salaries of Teachers	11-215-100-101	873,211	(33,125)	840,086	840,086	905,000	(110,469)	794,531	794,531	
Other Salaries for Instruction	11-215-100-106	252,259	(20,722)	231,537	231,537	346,500	(122,019)	224,481	224,481	
General Supplies	11-215-100-610	16,600	(2,687)	13,913	13,220	16,600	(624)	15,976	15,976	
Total Preschool Disabilities - Part Time		1,142,070	(56,534)	1,085,536	1,084,843	1,268,100	(233,112)	1,034,988	1,034,988	
Preschool Disabilities - Full Time:										
Salaries of Teachers	11-216-100-101	175,318	67,880	243,198	243,198	220,000	(60,838)	159,162	159,162	
Other Salaries for Instruction	11-216-100-106	16,000	(16,000)			26,000	(26,000)			
General Supplies	11-216-100-610	2,600	(795)	1,805	1,805	2,600	(2,600)			
Total Preschool Disabilities - Full Time		193,918	51,085	245,003	245,003	248,600	(89,438)	159,162	159,162	
Total Special Education		14,529,210	323,736	14,852,946	14,817,304	14,059,200	(129,394)	13,929,806	13,913,417	16,389
Other Instructional Programs:										
Basic Skills/Remedial:										
Salaries of Teachers	11-230-100-101	1,027,649	(68,144)	959,505	959,505	933,100	55,540	988,640	988,640	
Other Purchased Services	11-230-100-580	2,500	(2,111)	389	389	2,500	(1,600)	900	605	295
General Supplies	11-230-100-610	9,500	(7,314)	2,186	2,151	9,500	(7,856)	1,644	1,644	
Textbooks	11-230-100-640	1,500	(1,126)	374	374	1,500	(1,393)	107	107	
Other Objects	11-230-100-800	1,000	(1,000)			1,000	(1,000)			
Total Basic Skills/Remedial		1,042,149	(79,695)	962,454	962,419	947,600	43,691	991,291	990,996	295
Bilingual Education:										
Salaries of Teachers	11-240-100-101	398,600	(43,708)	354,892	354,892	397,000	(13,604)	383,396	383,396	
Other Purchased Services	11-240-100-500	3,200	(1,226)	1,974	1,974	3,200	(2,473)	727	727	
General Supplies	11-240-100-610	5,000	(1,201)	3,799	3,799	5,000	(1,916)	3,084	3,084	
Other Objects	11-240-100-800	3,000	(2,231)	769	769	3,000	(3,000)			
Total Basic Skills/Remedial		409,800	(48,366)	361,434	361,434	408,200	(20,993)	387,207	387,207	
Vocational Programs - Local:										
Salaries of Teachers	11-301-100-101	1,514,129	(46,835)	1,467,294	1,467,294	1,755,500	(374,603)	1,380,897	1,380,897	
Other Salaries for Instruction	11-301-100-106	10,366	(6,222)	4,144	4,144		4,322	4,322	4,322	
Other Purchased Services	11-301-100-580	15,000	(13,936)	1,064	1,064	15,000	(12,841)	2,159	2,159	
General Supplies	11-301-100-610	113,000	(18,236)	94,764	92,279	126,000	1,883	127,883	127,883	

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Vocational Programs - Local	1,652,495	(85,229)	1,567,266	1,564,781	2,485	1,896,500	(381,239)	1,515,261	1,515,261	
School Sponsored Cocurricular Activities:										
Salaries 11-401-100-100	557,100	(13,896)	543,204	543,204		550,200	19,056	569,256	569,256	
Purchased Services (300-500) 11-401-100-580	45,800	(25,006)	20,794	19,761	1,033	48,100	(18,778)	29,322	26,095	3,227
Supplies and Materials 11-401-100-600	131,200	(76,906)	54,294	52,194	2,100	136,200	(59,532)	76,668	76,048	620
Other Objects 11-401-100-800	16,000	(8,999)	7,001	6,964	37	16,000	(9,470)	6,530	6,530	
Total School Sponsored Cocurricular Activities	750,100	(124,807)	625,293	622,123	3,170	750,500	(68,724)	681,776	677,929	3,847
School Sponsored Athletics -Instruction:										
Salaries 11-402-100-100	2,350,065	(187,204)	2,162,861	2,162,861		2,000,600	299,592	2,300,192	2,300,192	
Purchased Services (300-500) 11-402-100-500	911,500	(244,383)	667,117	616,338	50,779	599,500	243,485	842,985	800,964	42,021
Supplies and Materials 11-402-100-600	232,000	(19,412)	212,588	188,740	23,848	247,000	(47,950)	199,050	189,340	9,710
Other Objects 11-402-100-800	46,500	63,294	109,794	109,524	270	52,500	(14,661)	37,839	37,839	
Total School Sponsored Athletics - Instruction	3,540,065	(387,705)	3,152,360	3,077,463	74,897	2,899,600	480,466	3,380,066	3,328,335	51,731
Community Services Programs/Operations:										
Salaries 11-800-330-100	23,667	(12)	23,655	23,655		27,500	(4,501)	22,999	22,999	
Purchased Services (300-500) 11-800-330-500	2,250	(2,250)				2,250	(2,250)			
Supplies and Materials 11-800-330-600	2,500	2,263	4,763	4,635	128	2,500	(1,651)	849	849	
Other Objects 11-800-330-800	1,000	(1,000)				1,000	(1,000)			
Total Community Services Programs/Operations	29,417	(999)	28,418	28,290	128	33,250	(9,402)	23,848	23,848	
Total Other Instructional Programs	7,424,026	(726,801)	6,697,225	6,616,510	80,715	6,935,650	43,799	6,979,449	6,923,576	55,873
Total Instruction	83,794,009	(1,894,394)	81,899,615	81,745,120	154,495	82,085,947	(1,902,298)	80,183,649	80,046,775	136,874
Undistributed Expenditures:										
Instruction:										
Tuition to Other LEA's Within State - Regular 11-000-100-561	17,000	27,321	44,321	44,321						
Tuition to Other LEA's Within State - Special 11-000-100-562	176,805	(58,369)	118,436	109,727	8,709	132,500	(32,868)	99,632	96,359	3,273
Tuition to County Vocational School Districts Regular 11-000-100-563	34,500	(4,500)	30,000	30,000		34,500	(4,500)	30,000	30,000	
Tuition to County Special School Districts & Regular Day Schools 11-000-100-565	312,080	280,587	592,667	592,667		657,807	(380,335)	277,472	277,472	
Tuition to Private Schools for the Handicapped - State 11-000-100-566	1,728,570	472,074	2,200,644	1,845,973	354,671	450,000	797,424	1,247,424	1,239,187	8,237
Tuition - State Facilities 11-000-100-568	237,666		237,666	237,666		308,765		308,765	308,765	
Tuition - Other 11-000-100-569	123,000	1,955	124,955	124,955		214,235	(95,117)	119,118	119,118	

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total - Instruction	2,629,621	719,068	3,348,689	2,985,309	363,380	1,797,807	284,604	2,082,411	2,070,901	11,510
Attendance & Social Work Services:										
Salaries	267,933	(17,402)	250,531	250,531		268,300	(17,020)	251,280	251,280	
Purchased Services (300-500)		121	121	121						
Total Attendance & Social Work Services	267,933	(17,281)	250,652	250,652		268,300	(17,020)	251,280	251,280	
Health Services:										
Salaries	2,118,428	15,299	2,133,727	2,133,727		2,325,000	(273,733)	2,051,267	2,051,267	
Purchased Professional & Technical Services	75,000	(38,088)	36,912	32,944	3,968	55,000	36,250	91,250	75,151	16,099
Supplies and Materials	71,800	3,082	74,882	74,691	191	71,800	(9,130)	62,670	62,670	
Total Health Services	2,265,228	(19,707)	2,245,521	2,241,362	4,159	2,451,800	(246,613)	2,205,187	2,189,088	16,099
Other Support Services - Students - Speech Services:										
Salaries	1,475,885	1,790	1,477,675	1,477,675		1,484,000	(58,179)	1,425,821	1,425,821	
Purchased Professional - Educational Services	30,000	34,985	64,985	64,985		40,000	74,538	114,538	114,538	
Supplies and Materials	10,050	561	10,611	10,611		9,600	544	10,144	10,144	
Total Other Support Services - Students - Related Services	1,515,935	37,336	1,553,271	1,553,271		1,533,600	16,903	1,550,503	1,550,503	
Other Support Services - Students - Extraordinary:										
Salaries	87,000	(80,641)	6,359	6,359		317,000	(297,535)	19,465	19,465	
Purchased Professional - Technical Services	752,000	28,690	780,690	780,690		752,000	(53,439)	698,561	698,561	
Supplies and Materials	4,000	(158)	3,842	3,842		4,000	(526)	3,474	3,474	
Other Objects	2,000	(315)	1,685	1,415	270	2,000	(2,000)			
Total Other Support Services - Students - Special Services	845,000	(52,424)	792,576	792,306	270	1,075,000	(353,500)	721,500	721,500	
Other Support Services - Regular Guidance:										
Salaries of Other Professional Staff	3,216,159	1,448	3,217,607	3,217,606	1	3,629,800	(461,577)	3,168,223	3,168,223	
Salaries of Secretarial & Clerical Assistants	740,775	(27,914)	712,861	712,861		758,000	(62,155)	695,845	695,845	
Purchased Professional - Educational Services	7,500	(3,800)	3,700	3,700		4,500	1,900	6,400	6,400	
Purchased Services (300-500)	2,250	(1,472)	778	778		2,250	(1,376)	874	874	
Supplies and Materials	48,500	(25,516)	22,984	21,647	1,337	45,500	(26,055)	19,445	17,892	1,553
Other Objects	11,300	(3,939)	7,361	7,361		15,300	(12,397)	2,903	2,903	

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Other Support Services - Regular Guidance	4,026,484	(61,193)	3,965,291	3,963,953	1,338	4,455,350	(561,660)	3,893,690	3,892,137	1,553
Other Support Services - Students - Special Services:										
Salaries of Other Professional Staff 11-000-219-104	2,247,623	33,163	2,280,786	2,280,786		2,349,000	(203,313)	2,145,687	2,145,687	
Salaries of Secretarial & Clerical Assistants 11-000-219-105	387,587	16,117	403,704	403,704		407,000	(555)	406,445	406,445	
Purchased Professional - Technical Services 11-000-219-320	49,000	(1,709)	47,291	47,291		89,000	(66,395)	22,605	22,605	
Supplies and Materials 11-000-219-600	26,000	(5)	25,995	25,995		26,000	664	26,664	26,664	
Other Objects 11-000-219-890	1,000	99	1,099	1,099		1,000	(101)	899	899	
Total Other Support Services - Students - Special Services	2,711,210	47,665	2,758,875	2,758,875		2,872,000	(269,700)	2,602,300	2,602,300	
Improvement of Instructional Services:										
Salaries of Supervisors-Instruction 11-000-221-102	2,849,539	(215,971)	2,633,568	2,633,568		2,810,000	(208,089)	2,601,911	2,601,911	
Salaries of Secretarial & Clerical Assistants 11-000-221-105	27,269	594	27,863	27,863		32,000	(5,500)	26,500	26,500	
Other Salaries 11-000-221-110						2,400	(2,400)			
Purchased Professional - Educational Services 11-000-221-320	7,500	10,349	17,849	17,849		7,500	(4,292)	3,208	3,208	
Purchased Services (300-500) 11-000-221-500	6,500	(3,018)	3,482	3,376	106	6,500	(2,445)	4,055	4,055	
Supplies and Materials 11-000-221-600	10,000	(7,071)	2,929	2,929		10,000	(4,916)	5,084	3,603	1,481
Other Objects 11-000-221-890	7,000	(4,251)	2,749	2,749		7,000	(6,320)	680	680	
Total Improvement of Instructional Services	2,907,808	(219,368)	2,688,440	2,688,334	106	2,875,400	(233,962)	2,641,438	2,639,957	1,481
Educational Media Services/School Library:										
Salaries 11-000-222-100	1,547,050	(32,633)	1,514,417	1,514,417		1,786,700	(265,474)	1,521,226	1,521,226	
Purchased Professional - Technical Services 11-000-222-300	3,000	(3,000)				3,000	(3,000)			
Purchased Services (300-500) 11-000-222-500	7,600	(5,767)	1,833	1,832	1	7,600	(7,600)			
Supplies and Materials 11-000-222-600	147,000	(23,687)	123,313	117,985	5,328	147,000	(27,507)	119,493	118,822	671
Total Educational Media Services/School Library	1,704,650	(65,087)	1,639,563	1,634,234	5,329	1,944,300	(303,581)	1,640,719	1,640,048	671
Instructional Staff Training Services:										
Salaries of Supervisors-Instruction 11-000-223-102	306,890	(25,420)	281,470	281,470		308,000	(25,826)	282,174	282,174	
Salaries of Other Professional Staff 11-000-223-104		9,394	9,394	9,394						
Salaries of Secretarial & Clerical Assistants 11-000-223-105	106,359	(18,381)	87,978	87,978		127,500	(27,438)	100,062	100,062	

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Educational Media Services/School Library (continued):										
Other Salaries	11-000-223-110									
Purchased Professional - Educational Services	11-000-223-320	4,000	21,000	25,000	25,000		4,000	(2,740)	1,260	1,260
Supplies and Materials	11-000-223-600							461	461	461
Other Objects	11-000-223-890	6,000	(2,707)	3,293	308	2,985	6,000	(6,000)		
Total Instructional Staff Training Services		423,249	(16,114)	407,135	404,150	2,985	445,500	(61,543)	383,957	383,957
Support Services General Administration:										
Salaries	11-000-230-100	942,853	(130,237)	812,616	812,616		1,071,000	(299,016)	771,984	771,984
Salaries of Attorneys	11-000-230-108	100,000	3,846	103,846	103,846					
Legal Services	11-000-230-331	240,000	(90,753)	149,247	141,235	8,012	180,000	47,987	227,987	227,987
Audit Services	11-000-230-332	120,000	(43,839)	76,161	76,161		126,000	36,500	162,500	162,500
Architectural/Engineering Services	11-000-230-334		20,000	20,000	8,183	11,817				
Other Purchased Professional Services	11-000-230-339	342,000	(243,784)	98,216	92,752	5,464				
Communications/Telephone	11-000-230-530	320,000	92,635	412,635	412,635		475,000	68,300	543,300	542,800
BOE Other Purchased Professional Services	11-000-230-585	12,000	(11,130)	870	870					
Miscellaneous Purchased Services (400-500SeriesOtherThan530)	11-000-230-590	105,200	(2,363)	102,837	102,837		184,200	(93,023)	91,177	91,177
Supplies and Materials	11-000-230-600	18,300	(6,182)	12,118	11,825	293	20,500	(159)	20,341	20,341
BOE In-House Training	11-000-230-630	5,000	2,315	7,315	6,275	1,040				
Judgments Against School District	11-000-230-820	80,000	(17,476)	62,524	62,524		80,000	(63,200)	16,800	16,800
Miscellaneous Expenditures	11-000-230-890	78,000	(21,912)	56,088	55,008	1,080	121,000	(33,319)	87,681	84,304
BOE Membership Dues & Fees	11-000-230-895	27,500	(837)	26,663	26,663					3,377
Total Support Services General Administration		2,390,853	(449,717)	1,941,136	1,913,430	27,706	2,614,700	(368,497)	2,246,203	2,237,326
Support Services School Administration:										
Salaries of Principals & Assistant Principals	11-000-240-103	4,385,058	(68,038)	4,317,020	4,317,020		4,197,000	59,948	4,256,948	4,256,948
Salaries of Secretarial & Clerical Assistants	11-000-240-105	2,401,986	(94,729)	2,307,257	2,307,257		2,568,000	(197,042)	2,370,958	2,370,958
Other Salaries	11-000-240-110	271,740	(26,998)	244,742	244,742		435,000	(147,857)	287,143	287,143
Purchased Services (300-500)	11-000-240-500	2,500	(2,500)				2,500	(2,500)		
Supplies and Materials	11-000-240-600	61,500	1,590	63,090	62,781	309	61,500	(14,846)	46,654	46,492
Other Objects	11-000-240-800	12,000	49,862	61,862	39,930	21,932	12,000	24,580	36,580	17,785
Total Support Services School Administration		7,134,784	(140,813)	6,993,971	6,971,730	22,241	7,276,000	(277,717)	6,998,283	6,979,326
Central Services:										
Salaries	11-000-251-100	1,582,817	(2,878)	1,579,939	1,579,939		1,823,300	(205,100)	1,618,200	1,618,200
Purchased Technical Services	11-000-251-340	53,000	(11,236)	41,764	35,873	5,891	48,000	30,433	78,433	72,829
Purchased Services (300-500)	11-000-251-500	23,000	(16,226)	6,774	6,774		23,000	(22,133)	867	867
General Supplies	11-000-251-610	85,000	(23,620)	61,380	58,767	2,613	85,000	(7,237)	77,763	66,943
Interest on Lease Purchase Agreements	11-000-251-832	17,000	654	17,654	13,483	4,171	50,000	(31,675)	18,325	14,230
Other Objects	11-000-251-800	19,725	5,728	25,453	24,438	1,015	20,000	(2,846)	17,154	17,154

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Central Services	1,780,542	(47,578)	1,732,964	1,719,274	13,690	2,049,300	(238,558)	1,810,742	1,790,223	20,519
Administrative Information for Technology:										
Salaries 11-000-252-100	1,050,092	(33,155)	1,016,937	1,016,937						
Other Salaries 11-000-252-110						1,113,500	(80,105)	1,033,395	1,033,395	
Other Purchased Professional Services 11-000-252-330	4,000	(4,000)				12,000	(1,075)	10,925	10,925	
Purchased Technical Services 11-000-252-340	304,000	(23,016)	280,984	259,232	21,752	255,000	(8,033)	246,967	225,136	21,831
Purchased Services (300-500) 11-000-252-500	3,000	(1,587)	1,413	1,351	62	3,000	(2,419)	581	581	
Supplies and Materials 11-000-252-600	75,000	(34,194)	40,806	38,189	2,617	145,000	(24,353)	120,647	109,261	11,386
Other Objects 11-000-252-800	3,500	7,654	11,154	11,154		3,500	(1,419)	2,081	2,081	
Total Administrative Information for Technology	1,439,592	(88,298)	1,351,294	1,326,863	24,431	1,532,000	(117,404)	1,414,596	1,381,379	33,217
Required Maintenance for School Facilities:										
Salaries 11-000-261-100	2,316,078	(101,743)	2,214,335	2,214,335		2,402,500	(192,073)	2,210,427	2,210,427	
Cleaning, Repair & Maintenance Services 11-000-261-420	360,000	61,931	421,931	419,520	2,411	365,000	4,242	369,242	341,108	28,134
General Supplies 11-000-261-610	200,000	98,364	298,364	294,364	4,000	165,000	10,686	175,686	168,721	6,965
Miscellaneous Expenditures 11-000-261-890	5,000	7,813	12,813	8,753	4,060	1,000	(544)	456	456	
Total Required Maintenance for School Facilities	2,881,078	66,365	2,947,443	2,936,972	10,471	2,933,500	(177,689)	2,755,811	2,720,712	35,099
Other Operation & Maintenance of Plant Services:										
Salaries 11-000-262-100	5,127,200	(93,991)	5,033,209	5,033,209		5,280,500	27,027	5,307,527	5,303,377	4,150
Salaries of Non-Instructional Aids 11-000-262-107	398,217	(61,888)	336,329	336,329						
Cleaning, Repair & Maintenance Services 11-000-262-420	565,000	(104,230)	460,770	459,940	830	580,500	(10,369)	570,131	542,926	27,205
Other Purchased Property Services 11-000-262-490	440,000	(17,051)	422,949	422,949						
Travel 11-000-262-580		180	180	180						
Miscellaneous Purchased Services 11-000-262-590	696,500	(85,585)	610,915	610,915		723,000	297,257	1,020,257	1,020,257	
General Supplies 11-000-262-610	554,300	(78,229)	476,071	462,782	13,289	512,000	32,107	544,107	521,996	22,111
Energy (Natural Gas) 11-000-262-621	1,431,500	(493,151)	938,349	938,348	1	5,704,000	(813,601)	4,890,399	4,890,399	
Energy (Electricity) 11-000-262-622	3,495,588	(1,107,825)	2,387,763	2,387,763						
Energy (Oil) 11-000-262-624	3,000	(2,725)	275	275						
Other Objects 11-000-262-800	10,000	(3,400)	6,600	6,600		12,000	(7,440)	4,560	4,416	144
Total Other Operation & Maintenance Plant Services	12,721,305	(2,047,895)	10,673,410	10,659,290	14,120	12,812,000	(475,019)	12,336,981	12,283,371	53,610

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Care & Upkeep of Grounds:										
Salaries	1,005,669	(35,927)	969,742	969,742		963,000	50,751	1,013,751	1,013,751	
Cleaning, Repair & Maintenance Services	70,000	(6,768)	63,232	63,232		46,000	33,110	79,110	60,940	18,170
General Supplies	150,000	11,676	161,676	92,191	69,485	200,000	(15,735)	184,265	163,199	21,066
Miscellaneous Expenditures	5,000	(733)	4,267	4,267		5,000	(12)	4,988	4,988	
Total Care & Upkeep of Grounds	1,230,669	(31,752)	1,198,917	1,129,432	69,485	1,214,000	68,114	1,282,114	1,242,878	39,236
Security:										
Other Salaries	1,162,827	(65,789)	1,097,038	1,097,038		1,222,000	(80,781)	1,141,219	1,141,219	
Cleaning, Repair & Maintenance Services	25,000	(24,875)	125	125						
General Supplies	22,500	415	22,915	20,594	2,321	18,000	(7,378)	10,622	10,422	200
Miscellaneous Expenditures	2,500	2,572	5,072	5,072		2,400	(2,053)	347	347	
Total Security	1,212,827	(87,677)	1,125,150	1,122,829	2,321	1,242,400	(90,212)	1,152,188	1,151,988	200
Student Transportation Services:										
Salaries for Pupil Transportation:										
Between Home & School - Regular	4,915,118	(160,377)	4,754,741	4,754,741		5,127,000	(172,914)	4,954,086	4,954,086	
Between Home & School - Special Education	2,221,269	70,991	2,292,260	2,292,260		2,235,000	(157,337)	2,077,663	2,077,663	
Other Than Between Home & School	225,000	(40,197)	184,803	184,803		230,000	(58,139)	171,861	171,861	
Social Security Contributions-Other						450,000	(450,000)			
Health Benefits	800,000	(800,000)				800,000	(800,000)			
Cleaning, Repair & Maintenance Services	13,000	17,529	30,529	13,364	17,165	7,000	140	7,140	7,140	
Lease of School Buses	111,000	(56,516)	54,484	54,484		110,000	(55,516)	54,484	54,484	
Contracted Services:										
Between Home & School - Vendors	550,000	(89,731)	460,269	460,269		600,000	(144,184)	455,816	447,122	8,694
Other Than Between Home & School - Vendors		9,405	9,405	9,405						
Between Home & School - Joint Agreements		16,223	16,223	16,223						
Special Education Students - Vendors	1,200,000	(329,887)	870,113	840,008	30,105	990,000	(13,561)	976,439	974,659	1,780
Joint Service Agreements	40,000	59,413	99,413	99,413			38,008	38,008	14,716	23,292
Regular Students - ESCs	80,000	(27,897)	52,103	52,103		40,000	33,690	73,690	73,690	
Special Students - ESCs			95,200	95,200						
Aid in Lieu of Payments	175,000	(62,890)	112,110	112,110		245,000	(119,526)	125,474	124,324	1,150
Transportation	225,000	(125,703)	99,297	97,183	2,114	365,000	(232,461)	132,539	132,539	
Supplies and Materials	535,000	210,623	745,623	742,747	2,876	455,000	158,390	613,390	609,240	4,150
Miscellaneous Purchased Services	1,195,000	295,473	1,490,473	1,490,473		795,000	490,950	1,285,950	1,282,235	3,715
Total Student Transportation Services	12,285,387	(918,341)	11,367,046	11,314,786	52,260	12,449,000	(1,482,460)	10,966,540	10,923,759	42,781

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Unallocated Benefits - Employee Benefits:											
Social Security Contributions	11-000-291-220	3,225,549	(290,715)	2,934,834	2,934,834		3,180,000	(401,672)	2,778,328	2,775,234	3,094
Other Retirement Contributions - TPAF	11-000-291-232	120,000	(11,382)	108,618	94,807	13,811	50,000	67,487	117,487	106,045	11,442
Other Retirement Contributions - Regular	11-000-291-241	3,551,389	(175,795)	3,375,594	3,375,594		2,890,000	303,445	3,193,445	3,193,445	
Other Retirement Contributions - Deferred PERS	11-000-291-248	136,934		136,934	136,934						
Workman's Compensation	11-000-291-260	1,490,000	152,636	1,642,636	1,642,636		2,285,000	(977,213)	1,307,787	1,307,787	
Health Benefits	11-000-291-270	42,753,661	6,221,477	48,975,138	48,975,138		36,724,891	9,663,379	46,388,270	46,306,794	81,476
Tuition Reimbursement	11-000-291-280	65,000	(27,930)	37,070	37,070		65,000	(14,773)	50,227	50,227	
Other Employee Benefits	11-000-291-290	2,300,000	(149,566)	2,150,434	1,996,075	154,359	2,740,000	(399,805)	2,340,195	2,161,716	178,479
Total Unallocated Benefits - Employee Benefits		53,642,533	5,718,725	59,361,258	59,193,088	168,170	47,934,891	8,240,848	56,175,739	55,901,248	274,491
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					8,577,970	(8,577,970)				6,045,900	(6,045,900)
Reimbursed TPAF Social Security Contributions					6,347,353	(6,347,353)				6,295,225	(6,295,225)
Total Nonbudgeted					14,925,323	(14,925,323)				12,341,125	(12,341,125)
Total Undistributed Expenditures		116,016,688	2,325,914	118,342,602	132,485,463	(14,142,861)	111,776,848	3,335,334	115,112,182	126,895,006	(11,782,824)
Total Expenditures - Current Expense		199,810,697	431,520	200,242,217	214,230,583	(13,988,366)	193,862,795	1,433,036	195,295,831	206,941,781	(11,645,950)
Capital Outlay:											
Equipment:											
Regular Programs - Instruction:											
Grades 1 - 5	12-120-100-730	58,000	32,254	90,254	54,116	36,138	99,000	(57,079)	41,921	23,030	18,891
Grades 6 - 8	12-130-100-730	43,000	(26,805)	16,195	15,276	919	28,000	(11,739)	16,261	16,057	204
Grades 9 - 12	12-140-100-730	48,000	(17,308)	30,692	23,728	6,964	39,000	(5,637)	33,363	32,880	483
Special Education - Instruction:											
Resource Room/Resource Center	12-213-100-730	10,000	(7,941)	2,059	2,059		10,000	(10,000)			
Vocational Programs-Local-Instructions											
	12-3xx-100-730	21,000	(11,423)	9,577	6,572	3,005	21,000	(14,628)	6,372	6,372	
School Sponsored & Other Instructional Programs											
	12-4xx-100-730	9,000	(120)	8,880		8,880	9,000	(9,000)			
Undistributed Expenditures:											
General Administration	12-000-230-730	3,000	(3,000)				6,000	(6,000)			
School Administration	12-000-240-730	18,000	(18,000)				30,000	(18,516)	11,484	11,484	
Central Services	12-000-251-730	3,000	5,600	8,600	5,395	3,205	5,000	(5,000)			
Administrative Information											
Technology	12-000-252-730	10,000	64,786	74,786	74,785	1	10,000	41,277	51,277	51,277	
Maintenance of School Facility	12-000-261-730	50,000	(12,501)	37,499	20,501	16,998	95,000	(89,565)	5,435	2,177	3,258
Custodial Services	12-000-262-730	55,000	66,103	121,103	32,770	88,333		34,371	34,371	16,481	17,890
Care & Upkeep of Grounds	12-000-263-730		50,270	50,270	50,270						
Non-Instructional Services	12-000-270-732	30,000	8,955	38,955	38,955		22,000	(9,079)	12,921	12,921	
School Buses - Special	12-000-270-734		513,209	513,209	512,618	591					

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TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Equipment	358,000	644,079	1,002,079	837,045	165,034	374,000	(160,595)	213,405	172,679	40,726
Facilities Acquisition & Construction Services:										
Other Purchased Professional/ Technical Services	12-000-400-390					296,443	(296,443)			
Construction Services	12-000-400-450	100,000	374,421	474,421	234,566	239,855	575,735	575,735	400,772	174,963
Other Objects	12-000-400-800	172,396		172,396	172,396					
Total Facilities Acquisition & Construction Services	272,396	374,421	646,817	406,962	239,855	296,443	279,292	575,735	400,772	174,963
Assets Acquired Under Capital Leases (Nonbudgeted)				301,307	(301,307)				180,134	(180,134)
Total Capital Outlay	630,396	1,018,500	1,648,896	1,545,314	103,582	670,443	118,697	789,140	753,585	35,555
Special Schools:										
Summer School - Instruction:										
Salaries of Teachers	13-422-100-101	42,000	(7,940)	34,060	26,900	7,160	42,000	(4,635)	37,365	37,365
General Supplies	13-422-100-610	500		500	500	500	500	(500)		
Other Objects	13-422-100-800	1,000		1,000	1,000	1,000	1,000	(1,000)		
Total Summer School - Instruction	43,500	(7,940)	35,560	26,900	8,660	43,500	(6,135)	37,365	37,365	
Accredited Evening\Adult H.S./Post Grad - Instruction:										
Salaries of Teachers	13-601-100-101						10,000	10,000	4,778	5,222
Total Accredited Evening\Adult H.S./Post Grad - Instruction							10,000	10,000	4,778	5,222
Evening School - Foreign Born - Local - Instruction:										
Salaries of Teachers	13-631-100-101	7,500		7,500	7,500	7,500	7,500	(7,500)		
General Supplies	13-631-100-610	1,600		1,600	1,600	1,600	1,600	(1,600)		
Evening School - Foreign Born - Local - Instruction		9,100		9,100	9,100	9,100	9,100	(9,100)		
Total Special Schools	52,600	(7,940)	44,660	26,900	17,760	52,600	(5,235)	47,365	42,143	5,222
Total Expenditures	200,493,693	1,442,080	201,935,773	215,802,797	(13,867,024)	194,585,838	1,546,498	196,132,336	207,737,509	(11,605,173)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	11,400	(1,367,355)	(1,355,955)	3,417,117	4,773,072	(3,590,000)	(1,037,499)	(4,627,499)	(2,732,051)	1,895,448

TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Financing Sources/(Uses):										
Interest Earned on Capital Reserve	(4,800)	4,800						(5,000)	(5,000)	5,000
Interest Earned on Maintenance Reserve	(5,200)	5,200						(4,300)	(4,300)	4,300
Interest Earned on Emergency Reserve	(1,400)	1,400						(700)	(700)	700
Transfer from Community Center				80,000	80,000					513,209
Return on Investment from Community Center				112,280	112,280					513,209
Capital Lease Proceeds (Nonbudgeted)				301,307	301,307					180,134
Total Other Financing Sources/(Uses)	(11,400)	11,400		493,587	493,587			(10,000)	(10,000)	693,343
Excess/(Deficiency) of Revenues & Other Financing Sources										
Over/(Under) Expenditures & Other Financing Uses		(1,355,955)	(1,355,955)	3,910,704	5,266,659	(3,600,000)	(1,037,499)	(4,637,499)	(2,038,708)	2,598,791
Fund Balances, July 1 (Unadjusted)	9,954,130		9,954,130	9,954,130		12,585,870		12,585,870	12,585,870	
Prior Period Adjustment									(593,032)	
Fund Balances, July 1 (adjusted)	9,954,130		9,954,130	9,954,130		12,585,870		12,585,870	11,992,838	
Fund Balances, June 30	<u>\$9,954,130</u>	<u>(1,355,955)</u>	<u>8,598,175</u>	<u>13,864,834</u>	<u>5,266,659</u>	<u>8,985,870</u>	<u>(1,037,499)</u>	<u>7,948,371</u>	<u>9,954,130</u>	<u>2,598,791</u>

RECAPITULATION

Restricted for:	
Capital Reserve	\$2,449,049
Maintenance Reserve	2,646,403
Emergency Reserve	704,613
Excess Surplus	174,783
Assigned for:	
Year-End Encumbrances	1,437,328
Designated for Subsequent Year's Expenditures	1,959,846
Unrestricted Fund Balance	<u>4,492,812</u>
Subtotal	13,864,834
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments not recognized on GAAP basis	<u>(6,525,053)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$7,339,781</u>

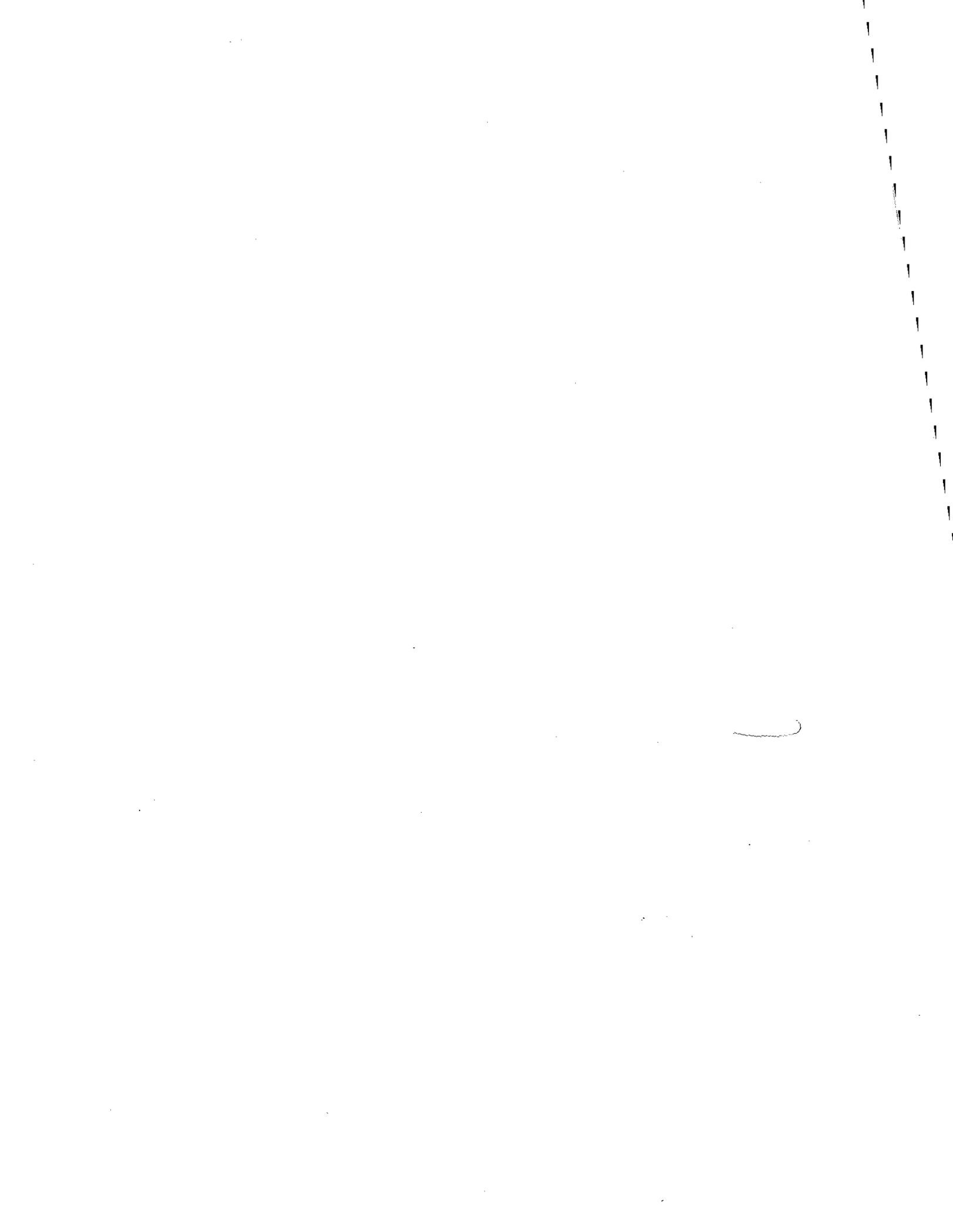
**TOMS RIVER REGIONAL SCHOOL DISTRICT
EDUCATION JOBS FUND PROGRAM
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

REVENUES	ACCOUNT NUMBERS	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Federal Sources:						
Education Jobs Fund Program	18-4522	\$2,385,232	74,725	2,459,957	2,459,957	
Total Revenues		<u>\$2,385,232</u>	<u>74,725</u>	<u>2,459,957</u>	<u>2,459,957</u>	
EXPENDITURES						
Other Instructional Programs:						
School Sponsored Cocurricular Activities:						
Salaries	18-401-100-100	\$439,425		439,425	439,425	
Total School Sponsored Cocurricular Activities		<u>439,425</u>		<u>439,425</u>	<u>439,425</u>	
School Sponsored Athletics - Instruction:						
Salaries	18-402-100-100	1,845,719		1,845,719	1,845,719	
Total School Sponsored Athletics - Instruction		<u>1,845,719</u>		<u>1,845,719</u>	<u>1,845,719</u>	
Total Instruction		<u>2,285,144</u>		<u>2,285,144</u>	<u>2,285,144</u>	
Undistributed Expenditures:						
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	18-000-291-220	100,088	74,725	174,813	174,813	
Total Unallocated Benefits - Employee Benefits		<u>100,088</u>	<u>74,725</u>	<u>174,813</u>	<u>174,813</u>	
Total Expenditures		<u>\$2,385,232</u>	<u>74,725</u>	<u>2,459,957</u>	<u>2,459,957</u>	

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2012				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES										
Local Sources		276,816	276,816	163,518	113,298		743,837	743,837	627,232	116,605
State Sources	\$1,232,317	(165,808)	1,066,509	810,414	256,095	1,113,433	48,487	1,161,920	1,075,326	86,594
Federal Sources	6,309,889	1,097,565	7,407,454	7,183,309	224,145	6,600,000	1,899,393	8,499,393	8,231,991	267,402
Total Revenues	7,542,206	1,208,573	8,750,779	8,157,241	593,538	7,713,433	1,947,880	10,405,150	9,934,549	470,601
EXPENDITURES:										
Instruction:										
Salaries of Teachers	2,985,997	(1,021,234)	1,964,763	1,898,353	66,410	1,855,000	(52,510)	1,802,490	1,761,023	41,467
Tuition	3,323,892	457,443	3,781,335	3,755,447	25,888	3,695,000	942,692	4,637,692	4,444,600	193,092
Purchased Professional - Educational Services	84,880	(84,880)				84,880	(61,349)	23,531	23,531	
Travel		1,236	1,236	1,236						
General Supplies		344,223	344,223	234,843	109,380	115,000	270,228	385,228	260,436	124,792
Textbooks	108,280	(13,847)	94,433	94,353	80	121,358	(13,078)	108,280	103,181	5,099
Miscellaneous		1,624	1,624	669	955					
Total Instruction	6,503,049	(315,435)	6,187,614	5,984,901	202,713	5,871,238	1,085,983	6,957,221	6,592,771	364,450
Support Services:										
Salaries of Supervisors of Instruction		203,565	203,565	203,565		140,000	246,766	386,766	386,766	
Personal Services - Employee Benefits		408,357	408,357	408,358	(1)	470,000	34,748	504,748	504,186	562
Purchased Professional - Educational Services	1,039,157	731,494	1,770,651	1,389,681	380,970	1,232,195	2,046,630	2,046,630	1,948,353	98,277
General Supplies							3,079	3,079	3,079	
Other Objects		126,593	126,593	126,593			19	19	19	
Total Support Services	1,039,157	1,470,009	2,509,166	2,128,197	380,969	1,842,195	2,331,242	2,941,242	2,842,403	98,839
Facilities Acquisition & Construction Services:										
Instructional Equipment		53,999	53,999	44,143	9,856		506,687	506,687	499,375	7,312
Total Facilities Acquisition & Construction Services		53,999	53,999	44,143	9,856		506,687	506,687	499,375	7,312
Total Expenditures	7,542,206	1,208,573	8,750,779	8,157,241	593,538	7,713,433	3,923,912	10,405,150	9,934,549	470,601
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-	-	-	-	-	-

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



**TOMS RIVER REGIONAL 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 N-1	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$219,219,914	8,157,241
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	6,109,235	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(6,525,053)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		20,234
Current Year		(380,714)
		<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<hr/> <u>\$218,804,096</u>	<hr/> <u>7,796,761</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$215,802,797	8,157,241
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		<hr/> <u>(360,480)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<hr/> <u>\$215,802,797</u>	<hr/> <u>7,796,761</u>

N-1 The general fund budget uses GAAP basis therefore no reconciliation is necessary.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

	NONPUBLIC				
	TEXTBOOKS	COMPENSATORY EDUCATION	NURSING	HANDICAPPED SUPPLEMENTAL	EXAM & CLASSIFICATION
Revenues:					
Local Sources					
State Sources	\$85,214	289,769	121,837	90,375	130,079
Federal Sources					
Total Revenues	\$85,214	289,769	121,837	90,375	130,079
Expenditures:					
Instruction:					
Salaries of Teachers					
Purchased Professional - Educational Services					
General Supplies					
Tuition					
Textbooks	\$85,214				
Total Instruction	85,214				
Support Services:					
Salaries of Supervisors of Instruction					
Personal Services - Employee Benefits					
Purchased Professional - Educational Services		289,769	121,837	90,375	130,079
General Supplies					
Other Objects					
Total Support Services		289,769	121,837	90,375	130,079
Facilities Acquisition & Construction Services:					
Buildings					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$85,214	289,769	121,837	90,375	130,079

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

	NONPUBLIC			TITLE IA	TITLE I CARRYOVER
	TRANS- PORTATION	HOME INSTRUCTION	CORRECTIVE SPEECH		
Revenues:					
Local Sources					
State Sources	\$16,756	19,432	56,952		
Federal Sources				2,341,423	183,638
Total Revenues	\$16,756	19,432	56,952	2,341,423	183,638
Expenditures:					
Instruction:					
Salaries of Teachers				1,209,173	129,473
Purchased Professional - Educational Services					
General Supplies				130,242	20,234
Tuition				77,687	
Textbooks					
Total Instruction				1,417,102	149,707
Support Services:					
Salaries of Supervisors of Instruction				203,565	
Personal Services-Employee Benefits				306,214	
Purchased Professional - Educational Services	\$16,756	19,432	56,952	287,949	33,931
General Supplies					
Other Objects				126,593	
Total Support Services	16,756	19,432	56,952	924,321	33,931
Facilities Acquisition & Construction Services:					
Buildings					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$16,756	19,432	56,952	2,341,423	183,638

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

	TITLE II-A CLASS SIZE REDUCTION	TITLE II-D IKE MATH & SCIENCE CARRYOVER	TITLE III- A ESL	TITLE III-A ESL CARRYOVER	TITLE III-A IMMIGRANT
Revenues:					
Local Sources					
State Sources					
Federal Sources	\$615,643	563	21,703	10,269	8,532
Total Revenues	\$615,643	563	21,703	10,269	8,532
Expenditures:					
Instruction:					
Salaries of Teachers	\$497,480		18,249	630	7,780
Purchased Professional - Educational Services		563	1,025	500	752
General Supplies					
Tuition					
Textbooks				9,139	
Total Instruction	497,480	563	19,274	10,269	8,532
Support Services:					
Salaries of Supervisors of Instruction					
Personal Services-Employee Benefits	99,715		2,429		
Purchased Professional - Educational Services	18,448				
General Supplies					
Other Objects					
Total Support Services	118,163		2,429		
Facilities Acquisition & Construction Services:					
Buildings					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$615,643	563	21,703	10,269	8,532

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL PERIOD ENDED JUNE 30, 2012
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

	I.D.E.A. BASIC	I.D.E.A. BASIC CARRYOVER	I.D.E.A. PRESCHOOL	I.D.E.A. PRESCHOOL CARRYOVER
Revenues:				
Local Sources				
State Sources				
Federal Sources	\$3,808,796	22,754	128,343	41,645
Total Revenues	\$3,808,796	22,754	128,343	41,645
Expenditures:				
Instruction:				
Salaries of Teachers				
Purchased Professional - Educational Services				
General Supplies				
Tuition	\$3,484,643	22,754	128,343	41,645
Textbooks				
Total Instruction	3,484,643	22,754	128,343	41,645
Support Services:				
Salaries of Supervisors of Instruction				
Personal Services-Employee Benefits				
Purchased Professional - Educational Services	324,153			
General Supplies				
Other Objects				
Total Support Services	324,153			
Facilities Acquisition & Construction Services:				
Buildings				
Instructional Equipment				
Non-Instructional Equipment				
Total Facilities Acquisition & Construction Services				
Total Expenditures	\$3,808,796	22,754	128,343	41,645

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL PERIOD ENDED JUNE 30, 2012
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

	VARIOUS LOCAL GRANTS	2012	2011
Revenues:			
Local Sources	\$163,518	163,518	627,232
State Sources		810,414	1,075,326
Federal Sources		7,183,309	8,231,991
Total Revenues	\$163,518	8,157,241	9,934,549
Expenditures:			
Instruction:			
Salaries of Teachers	\$35,568	1,898,353	1,761,023
Purchased Professional - Educational Services			23,531
Travel	1,236	1,236	
General Supplies	81,527	234,843	260,436
Tuition	375	3,755,447	4,444,600
Textbooks		94,353	103,181
Miscellaneous	669	669	
Total Instruction	119,375	5,984,901	6,592,771
Support Services:			
Salaries of Supervisors of Instruction		203,565	386,766
Personal Services-Employee Benefits		408,358	504,186
Purchased Professional - Educational Services		1,389,681	1,948,353
General Supplies			3,079
Other Objects		126,593	19
Total Support Services		2,128,197	2,842,403
Facilities Acquisition & Construction Services:			
Buildings			77,643
Instructional Equipment			39,662
Non-Instructional Equipment	44,143	44,143	382,070
Total Facilities Acquisition & Construction Services	44,143	44,143	499,375
Total Expenditures	\$163,518	8,157,241	9,934,549

F. Capital Projects Fund

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

PROJECT TITLE/ISSUE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED
		PRIOR YEARS	CURRENT YEAR	BALANCE JUNE 30, 2012
Construction Of Intermediate South School	\$39,786,897	39,537,451	135,334	114,112
Total	\$39,786,897	39,537,451	135,334	114,112

**TOMS RIVER REGIONAL 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 & Other Financing Sources	
Interest Earnings	<u>\$7</u>
Total Revenues	<u>7</u>
Expenditures & Other Financing Uses:	
Construction Services	43,740
Cancellation of Outstanding Balances Transferred to Debt Service Fund	91,594
Transfer of Interest Earnings to Debt Service	<u>7</u>
Total Expenditures	<u>135,341</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(135,334)
Fund Balance - Beginning	<u>249,446</u>
Fund Balance - Ending	<u><u>\$114,112</u></u>

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION OF INTERMEDIATE SOUTH SCHOOL AND IMPROVEMENTS TO
INTERMEDIATE WEST AND NORTH DOVER SCHOOLS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds & Transfers	\$27,244,000		27,244,000	27,244,000
State Sources	12,542,897		12,542,897	12,542,897
Total Revenues	39,786,897		39,786,897	39,786,897
Expenditures & Other Financing Uses:				
Other Purchased Professional Services	33,995,430		33,995,430	33,995,430
Construction Services	5,542,021	43,740	5,585,761	5,585,761
Cancellation of Outstanding Balances Transferred to Debt Service Fund		91,594	91,594	
Total Expenditures	39,537,451	135,334	39,672,785	39,581,191
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$249,446	(135,334)	114,112	205,706

G. Proprietary Funds

Enterprise Funds

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING SCHEDULE OF NET ASSETS
AS OF JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					2012	2011
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	BENNETT COMPLEX	PINE BELT ARENA		
Current Assets:							
Cash & Cash Equivalents	\$1,154,562	116,322	78,219	1,193,170	827,239	3,369,512	3,701,342
Accounts Receivable:							
State	1,782					1,782	2,290
Federal	62,443					62,443	68,423
Other	37,978					37,978	5,344
Inventories	70,724					70,724	73,013
Interfund Receivable				18,389		18,389	
Other Current Assets	3,167	67,844	95,000			166,011	78,314
Total Current Assets	1,330,656	184,166	173,219	1,211,559	827,239	3,726,839	3,928,726
Noncurrent Assets:							
Capital Assets, Net	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Total Noncurrent Assets	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Total Assets	1,820,209	5,426,477	177,069	1,854,088	3,184,662	12,462,505	10,335,169
LIABILITIES							
Current Liabilities:							
Accounts Payable		101,600				101,600	91,757
Deferred Revenue	78,369	102,802				181,171	71,370
Compensated Absences Payable	92,536					92,536	97,108
Tenant Security Deposits		61,682				61,682	47,926
Other Current Liabilities							278
Interfund Payable					57,006	57,006	27,469
Total Current Liabilities	170,905	266,084			57,006	493,995	335,908
NET ASSETS							
Invested in Capital Assets, Net	489,553	5,242,311	3,850	642,529	2,357,423	8,735,666	6,406,443
Unrestricted	1,159,751	(81,918)	173,219	1,211,559	770,233	3,232,844	3,592,818
Total Net Assets	\$1,649,304	5,160,393	177,069	1,854,088	3,127,656	11,968,510	9,999,261

TOMS RIVER REGIONAL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					2012	2011
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	BENNETT COMPLEX	PINE BELT ARENA		
Operating Revenues:							
Charges for Services:							
Sales	\$3,099,281			91,837	105,400	3,296,518	3,674,371
Fees Collected	600		722,030		118,950	841,580	794,338
Rental Income		667,877		270,954	119,950	1,058,781	992,712
Miscellaneous Income				3,921	12,269	16,190	
Total Operating Revenues	3,099,881	667,877	722,030	366,712	356,569	5,213,069	5,461,421
Operating Expenses:							
Cost of Sales	2,473,360					2,473,360	2,524,319
Salaries	2,101,032		488,375	135,250	43,479	2,768,136	2,511,544
Employee Benefits	418,089		76,530		6,108	500,727	410,442
Other Purchased Professional Services & Security		90,812		16,390	31,188	138,390	226,847
Cleaning, Repair & Maintenance Services	30,171	81,327		14,746	8,314	134,558	172,484
General Supplies		13,100	75,029	56,690	74,031	218,850	203,702
Rent	38,000		170,000			208,000	150,000
Travel	6,048					6,048	4,900
Communications		1,527				1,527	2,223
Utilities	30,000	242,360		27,544	33,463	333,367	364,184
Miscellaneous	14,538	214,528		1,187	128	230,381	227,572
Depreciation	74,643	142,372	1,540	19,239	79,584	317,378	232,793
Amortization Expense		31,756				31,756	31,809
Total Operating Expenses	5,185,881	817,782	811,474	271,046	276,295	7,362,478	7,062,819
Operating Income/(Loss)	(2,086,000)	(149,905)	(89,444)	95,666	80,274	(2,149,409)	(1,601,398)
Nonoperating Revenues/(Expenses):							
State Sources:							
State School Lunch Program	49,311					49,311	49,966
Federal Sources:							
National School Lunch Program	1,421,464					1,421,464	1,391,819
National School Breakfast Program	132,999					132,999	109,017
Food Distribution Program	273,956					273,956	280,883
Transfer to General Fund							(513,209)
Interest & Investment Revenue	1,851	82			21	1,954	4,225
Total Nonoperating Revenues/(Expenses)	1,879,581	82			21	1,879,684	1,322,701
Other Financing Sources/(Uses):							
Transfer to General Fund					(80,000)	(80,000)	
Return on Investment to General Fund				(20,972)	(91,308)	(112,280)	
Total Other Financing Sources/(Uses)				(20,972)	(171,308)	(192,280)	
Change in Net Assets	(206,419)	(149,823)	(89,444)	74,694	(91,013)	(462,005)	(278,697)
Total Net Assets - Beginning (Unadjusted)	1,750,071	5,630,991	613,619	1,167,700	836,880	9,999,261	10,277,958
Prior Period Change in Fund Balance	105,652	(320,775)	(347,106)	611,694	2,381,789	2,431,254	
Total Net Assets - Beginning (Adjusted)	1,855,723	5,310,216	266,513	1,779,394	3,218,669	12,430,515	10,277,958
Total Net Assets - Ending	\$1,649,304	5,160,393	177,069	1,854,088	3,127,656	11,968,510	9,999,261

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					2012	2011
	FOOD SERVICE	CORPORATE CENTER	DAY CARE CENTER	BENNETT COMPLEX	PINE BELT ARENA		
Cash Flows From Operating Activities:							
Receipts from Customers	\$3,065,735	678,347	727,374	366,712	356,569	5,194,737	5,492,226
Payments to Employees	(2,105,604)		(564,905)	(153,639)	638	(2,823,510)	(2,524,396)
Payments for Employee Benefits	(418,089)					(418,089)	(330,439)
Payments to Suppliers	(2,492,566)	(861,672)	(687,135)	(116,557)	(147,124)	(4,305,054)	(3,885,212)
Net Cash Provided/(Used) by Operating Activities	(1,950,524)	(183,325)	(524,666)	96,516	210,083	(2,351,916)	(1,247,821)
Cash Flows From Noncapital Financing Activities:							
State Sources	49,819					49,819	54,487
Federal Sources	1,834,399					1,834,399	1,559,871
Operating Subsidies & Transfers to Other Funds	(20,688)					(20,688)	(232,326)
Net Cash Provided/(Used) by Noncapital Financing Activities	1,863,530					1,863,530	1,382,032
Cash Flows From Capital & Related Financing Activities:							
Acquisition of Property & Construction	(190,707)	(25,000)		(50,074)	(55,218)	(320,999)	(37,983)
Adjustments to Property & Construction		320,775	347,106			667,881	
Transfer to General Fund				(20,972)	(171,308)	(192,280)	
Net Cash Provided/(Used) by Capital & Related Financing Activities	(190,707)	295,775	347,106	(71,046)	(226,526)	154,602	(37,983)
Cash Flows From Investing Activities:							
Interest & Dividends	1,851	82			21	1,954	4,225
Net Cash Provided/(Used) by Investing Activities	1,851	82			21	1,954	4,225
Net Increase/(Decrease) in Cash & Cash Equivalents	(275,850)	112,532	(177,560)	25,470	(16,422)	(331,830)	100,453
Balances - Beginning of Year	1,430,412	3,790	255,779	1,167,700	843,661	3,701,342	3,600,889
Balances - End of Year	\$1,154,562	116,322	78,219	1,193,170	827,239	3,369,512	3,701,342
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:							
Operating Income/(Loss)	(\$2,086,000)	(149,905)	(89,444)	95,666	80,274	(2,149,409)	(1,601,398)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:							
Depreciation Expense	74,643	142,372	1,540	19,239	79,584	317,378	185,347
Prior Period Adjustment	105,652	(320,775)	(347,106)			(562,229)	
(Increase)/Decrease Accounts Receivable	(37,978)		5,344			(32,634)	
(Increase)/Decrease Inventory	2,289					2,289	(3,264)
(Increase)/Decrease Other Current Assets	(3,167)	10,470	(95,000)			(87,697)	3,905
Increase/(Decrease) Accounts Payable	(8,390)	18,233				9,843	91,757
Increase/(Decrease) Compensated Absences Payable	(4,572)					(4,572)	39,683
Increase/(Decrease) Deferred Revenue	6,999	102,524				109,523	8,679
Increase/(Decrease) Interfunds Payable				(18,389)	50,225	31,836	27,469
Increase/(Decrease) Tenant Security Deposits		13,756				13,756	1
Total Adjustments	135,476	(33,420)	(435,222)	850	129,809	(202,507)	353,577
Net Cash Provided/(Used) by Operating Activities	(\$1,950,524)	(183,325)	(524,666)	96,516	210,083	(2,351,916)	(1,247,821)



Internal Service Fund

Not Applicable

H. Fiduciary Fund



**TOMS RIVER REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	PRIVATE PURPOSE		AGENCY FUND				TOTALS (MEMORANDUM ONLY)	
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	PAYROLL	STUDENT ACTIVITIES	CLASS TRUST FUND	EMPLOYEE SAVINGS BONDS	JUNE 30, 2012	JUNE 30, 2011
Cash & Cash Equivalents	\$5,425,458	76,361	5,406,174	523,845	34,692	1,285	11,467,815	11,091,265
Total Assets	5,425,458	76,361	5,406,174	523,845	34,692	1,285	11,467,815	11,091,265
LIABILITIES								
Payable to Student Groups				523,845	34,692		558,537	572,655
Payable- Quarterly Unemployment Savings Bond	93,990					1,285	93,990	77,899
Payroll Deductions & Withholdings			5,406,174				1,285	1,286
Total Liabilities	93,990		5,406,174	523,845	34,692	1,285	5,406,174	5,041,828
							6,059,986	5,693,668
NET ASSETS								
Held in Trust for Unemployment Claims & Other Purposes	5,331,468						5,331,468	5,312,286
Reserved for Scholarships		76,361					76,361	85,311
Total Net Assets	\$5,331,468	76,361	-	-	-	-	5,407,829	5,397,597

**TOMS RIVER REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ADDITIONS:	PRIVATE PURPOSE		2012	2011
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND		
Contributions:				
Plan Members	\$377,700		377,700	342,812
Donations		11,776	11,776	16,441
Total Contributions	377,700	11,776	389,476	359,253
Investment Earnings:				
Interest	1,824	584	2,408	7,003
Net Investment Earnings	1,824	584	2,408	7,003
Total Additions	379,524	12,360	391,884	366,256
DEDUCTIONS:				
Quarterly Contribution Reports	165,700		165,700	135,316
Quarterly Unemployment Claims	194,642		194,642	198,786
Scholarship Payments		21,250	21,250	21,602
Service Charges		60	60	510
Total Deductions	360,342	21,310	381,652	356,214
Change in Net Assets	19,182	(8,950)	10,232	10,042
Net Assets - Beginning of the Year	5,312,286	85,311	5,397,597	5,387,555
Net Assets - End of the Year	\$5,331,468	76,361	5,407,829	5,397,597

**TOMS RIVER REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

	JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	JUNE 30, 2012
Intermediate Schools:				
North	\$12,264	58,564	57,927	12,901
South	24,364	71,964	77,046	19,282
East	85,537	82,858	84,330	84,065
Total Intermediate Schools	122,165	213,386	219,303	116,248
High Schools:				
North	130,186	424,231	425,516	128,901
South	136,136	309,722	325,918	119,940
East	154,117	599,023	594,384	158,756
Total High Schools	420,439	1,332,976	1,345,818	407,597
Total All Schools	\$542,604	1,546,362	1,565,121	523,845

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	BALANCE JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2012
ASSETS				
Cash & Cash Equivalents	\$5,041,828	200,766,903	200,402,557	5,406,174
Total Assets	\$5,041,828	200,766,903	200,402,557	5,406,174
LIABILITIES				
Payroll Deductions & Withholdings	\$5,041,828	200,766,903	200,402,557	5,406,174
Total Liabilities	\$5,041,828	200,766,903	200,402,557	5,406,174

EXHIBIT H-5

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CLASS TRUST AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

	JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	JUNE 30, 2012
Class Trust	\$30,051	7,256	2,615	34,692
Total Class Trust	\$30,051	7,256	2,615	34,692

EXHIBIT H-6

**TOMS RIVER REGIONAL SCHOOL DISTRICT
EMPLOYEE SAVINGS BONDS AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

	JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	JUNE 30, 2012
Employee Savings Bonds	\$1,286		1	1,285
Total Employee Savings Bonds	\$1,286		1	1,285

I. Long-Term Debt

**TOMS RIVER REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2012**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2012	ISSUED	REFUNDED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2012
			DATE	AMOUNT						
School District Bonds Series 2003	04/01/2003	\$27,244,000	07/15/2012	\$860,000	4.000%	\$22,424,000			(825,000)	21,599,000
			07/15/2013	900,000	4.000%					
			07/15/2014	945,000	4.000%					
			07/15/2015	990,000	4.000%					
			07/15/2016	1,035,000	4.000%					
			07/15/2017	1,080,000	4.000%					
			07/15/2018	1,130,000	4.000%					
			07/15/2019	1,185,000	4.125%					
			07/15/2020	1,240,000	4.250%					
			07/15/2021	1,295,000	4.000%					
			07/15/2022	1,360,000	4.300%					
			07/15/2023	1,420,000	4.400%					
			07/15/2024	1,485,000	4.500%					
			07/15/2025	1,555,000	4.500%					
			07/15/2026	1,630,000	4.500%					
07/15/2027	1,705,000	4.500%								
07/15/2028	1,784,000	4.500%								
School District Bonds Series 2009	04/20/2009	15,790,000	07/15/2012	1,025,000	2.000%	14,580,000			(995,000)	13,585,000
			07/15/2013	1,050,000	3.000%					
			07/15/2014	1,085,000	2.250%					
			07/15/2015	1,135,000	2.250%					
			07/15/2016	1,175,000	3.000%					
			07/15/2017	1,220,000	3.250%					
			07/15/2018	1,275,000	3.500%					
			07/15/2019	1,335,000	3.625%					
			07/15/2020	1,375,000	3.750%					
			07/15/2021	1,425,000	3.875%					
07/15/2022	1,485,000	4.000%								

**TOMS RIVER REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2012**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2011	ISSUED	REFUNDED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2012
			DATE	AMOUNT						
School District Refunding Bonds, Series 2007	03/01/07	12,440,000	1/15/2013	955,000	4.000%	12,440,000			(910,000)	11,530,000
			1/15/2014	1,020,000	5.000%					
			1/15/2015	1,160,000	5.000%					
			1/15/2016	1,215,000	5.000%					
			1/15/2017	1,290,000	5.000%					
			1/15/2018	1,370,000	4.500%					
			1/15/2019	1,435,000	4.500%					
			1/15/2020	1,500,000	4.500%					
			1/15/2021	1,585,000	4.500%					
ERI Bonds	11/04/04	24,525,000	7/15/2012	695,000	4.534%	21,355,000			(675,000)	20,680,000
			7/15/2013	705,000	4.635%					
			7/15/2014	640,000	4.735%					
			7/15/2015	660,000	4.800%					
			7/15/2016	675,000	4.800%					
			7/15/2017	695,000	5.100%					
			7/15/2018	720,000	5.100%					
			7/15/2019	745,000	5.100%					
			7/15/2020	770,000	5.125%					
			7/15/2021	2,535,000	5.150%					
			7/15/2022	2,660,000	5.200%					
			7/15/2023	4,470,000	5.200%					
			7/15/2024	4,710,000	5.250%					
Total						\$70,799,000	-	-	(3,405,000)	67,394,000

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**TOMS RIVER REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2012**

SERIES	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2011	ADJUSTMENT	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2012
Municipal - Multiple Location	59,877	\$44,908			(14,969)	29,939
Municipal - Superintendents Office	11,289	8,467			(2,822)	5,645
Xerox Corporation - Print Shop	27,037	13,491	1,087		(6,309)	8,269
Xerox Corporation - Print Shop	35,337	17,632	1,421		(8,246)	10,807
Xerox Corporation - Student Information	32,140	10,553	(72)		(7,697)	2,784
Xerox Corporation - Intermediate East	27,505	9,114	(321)		(6,388)	2,405
Xerox Corporation - Intermediate North	27,505	9,114	(321)		(6,388)	2,405
Xerox Corporation - High School South	27,505	9,114	(321)		(6,388)	2,405
Xerox Corporation - High School North	27,505	9,114	(321)		(6,388)	2,405
Xerox Corporation - High School East	27,505	9,114	(321)		(6,388)	2,405
OCE Intermediate East Media	8,583	2,805	316		(2,296)	825
Municipal - Various	39,477			39,477	(6,579)	32,898
Municipal - Elementary Trans VM	45,012			45,012	(11,253)	33,759
Municipal - High School East Media	6,430			6,430	(1,608)	4,822
Municipal - High School North CST	12,860			12,860	(3,215)	9,645
Municipal - High School South Guidance	6,430			6,430	(1,608)	4,822
1st Niagara - Technology	373,926			373,926	(74,786)	299,140
Total		\$143,426	1,147	484,135	(173,328)	455,380

**LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER NOTES PAYABLE
JUNE 30, 2012**

NOTES PAYABLE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	BALANCE JUNE 30, 2011	ADJUSTMENTS	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	BALANCE JUNE 30, 2012
New Jersey Economic Development Authority August 18, 1993	1.50%	\$1,000,000	\$122,744			(40,914)	81,830
Deferred Pension Obligation	8.25%	958,051	1,144,755			(40,549)	1,104,206
CREBS - November 19, 2008	1.15%	2,742,510	2,194,008			(182,834)	2,011,174
Total Notes Payable			\$3,461,507	-	-	(264,297)	3,197,210

**TOMS RIVER REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	\$6,303,660		6,303,660	6,303,660		6,427,760		6,427,760	6,427,760	
State Sources:										
Debt Service Aid Type II	362,645		362,645	362,645		338,632		338,632	338,632	
Total Revenues	6,666,305		6,666,305	6,666,305		6,766,392		6,766,392	6,766,392	
Expenditures:										
Regular Debt Service:										
Interest	3,143,637		3,143,637	3,143,636	(1)	3,272,814		3,272,814	3,272,813	1
Redemption of Principal	3,628,749		3,628,749	3,628,748	(1)	3,493,749		3,493,749	3,493,748	1
Total Regular Debt Service	6,772,386		6,772,386	6,772,384	(2)	6,766,563		6,766,563	6,766,561	2
Total Expenditures	6,772,386		6,772,386	6,772,384	(2)	6,766,563		6,766,563	6,766,561	2
Other Financing Sources/(Uses):										
Transfer from/(to) Other Funds				7	7				82	(82)
Total Other Financing Sources/(Uses)				7	7				82	(82)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(106,081)		(106,081)	(106,072)	9	(171)		(171)	(87)	(84)
Fund Balance, July 1,	106,165		106,165	106,165		106,252		106,252	106,252	
Fund Balance, June 30,	\$84	-	84	93	9	106,081	-	106,081	106,165	(84)

STATISTICAL SECTION (Unaudited)

TOMS RIVER REGIONAL SCHOOL DISTRICT
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	\$118,369,561	45,783,902	47,172,494	45,657,155	45,301,064	49,367,861	39,150,102	49,088,377	82,567,274
Restricted	205,799	342,812	364,199	1,150,319	7,211,394	13,178,624	15,105,594	31,251,273	44,416,100
Unrestricted	(8,623,810)	(13,046,576)	(3,591,545)	(4,543,377)	718,543	9,831,404	23,954,221	(18,665,770)	(23,203,158)
Total Governmental Activities Net Assets	\$109,951,550	33,080,138	43,945,148	42,264,097	53,231,001	72,377,889	78,209,917	61,673,880	103,780,216
Business-Type Activities:									
Invested in Capital Assets, Net of Related Debt	\$8,735,666	6,406,443	6,553,808	6,230,000	99,152	5,956,740		5,889,687	5,910,725
Unrestricted	3,232,844	3,592,818	3,724,150	3,375,546	8,719,284	2,003,817	8,442,046	2,623,854	2,090,645
Total Business-Type Activities Net Assets	\$11,968,510	9,999,261	10,277,958	9,605,546	8,818,436	7,960,557	8,442,046	8,513,541	8,001,370
District-Wide:									
Invested in Capital Assets, Net of Related Debt	\$127,105,227	52,190,345	53,726,302	51,887,155	45,400,216	55,324,601	39,150,102	54,978,064	88,477,999
Restricted	205,799	342,812	364,199	1,150,319	7,211,394	13,178,624	15,105,594	31,251,273	44,416,100
Unrestricted	(5,390,966)	(9,453,758)	132,605	(1,167,831)	9,437,827	11,835,221	32,396,267	(16,041,916)	(21,112,513)
Total District Net Assets	\$121,920,060	43,079,399	54,223,106	51,869,643	62,049,437	80,338,446	86,651,963	70,187,421	111,781,586

Source :CAFR Schedule A-1

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:									
Governmental Activities									
Instruction:									
Regular	\$65,935,727	66,235,265	96,723,532	91,725,377	93,536,032	89,870,917	89,556,944	95,601,950	85,877,606
Special Education	14,817,304	13,913,417	20,409,347	18,581,171	18,536,995	4,738,050	16,150,927	16,420,110	9,636,779
Other Special Education	1,323,853	1,378,203	2,085,579	1,936,770	2,177,419	12,826,617		2,896,346	1,227,479
Vocational	1,564,781	1,515,261	2,633,777	2,648,657	2,903,990	2,852,252	2,777,819	3,170,088	2,983,734
School Sponsored/Other Instructio	3,699,586	4,006,264	8,041,855	7,839,463	7,973,294	14,302,033	10,098,312	7,154,937	8,110,901
Adult Continuing Education Progi	28,290	23,848	39,201	31,901	6,739	33,604	24,872	27,802	26,272
Support Services:									
Tuition	2,985,309	2,070,901	667,598	2,387,954	1,985,607	1,321,587	966,270	2,161,383	4,053,312
Student & Instruction Related Ser	18,415,334	18,713,173	25,149,439	23,444,250	24,040,993	22,942,557	21,441,454	20,548,474	20,887,711
School Administrative Services	1,913,430	2,237,326	15,757,271	2,904,801	3,195,660	3,300,177	10,939,577	11,283,072	9,611,961
General Administration	10,017,867	10,150,928	3,314,477	14,759,196	14,628,839	15,889,798	2,335,418	5,206,282	3,376,670
Plant Operations & Maintenance	15,818,621	17,263,493	24,895,033	24,101,000	24,340,331	23,474,472	21,993,067	24,808,571	19,583,927
Pupil Transportation	11,314,786	10,923,759	16,639,502	16,955,034	17,762,071	17,054,409	16,028,153	16,199,486	15,004,975
Other Support Services	73,236,252	68,558,277				101	2,292,321	3,503,699	2,912,664
Special Schools	26,900	42,143	69,862	80,057	82,316	98,019	79,423	99,592	271,397
Interest on Long-Term Debt	3,085,116	4,221,619	3,255,648	3,428,108	3,922,942	4,527,522	3,892,388	2,785,416	2,778,273
Unallocated Depreciation	8,174,831	5,747,264	3,077,096	4,731,200	4,719,971	5,217,244	5,070,202	5,012,022	4,170,556
Total Governmental Activities Expense	232,357,987	227,001,141	222,759,217	215,554,939	219,813,199	218,449,359	203,647,147	216,879,230	190,514,217
Business-Type Activities:									
Food Service	5,185,881	5,113,640	4,713,932	4,922,710	4,820,133	5,175,046	4,465,204	4,000,092	3,671,931
Corporate Center	817,782	924,024	926,541	982,127	956,268	1,120,698	911,371	807,993	768,038
Day Care Center	811,474	700,641	463,157	329,499	316,141	296,583	263,011	212,355	160,450
Bennett Complex	271,046								
Pine Belt Arena	276,295	324,514	370,161	626,118	311,310	2,803,277	3,138,874	1,135,637	652,876
Total Business-Type Activities Expens	7,362,478	7,062,819	6,473,791	6,860,454	6,403,852	9,395,604	8,778,460	6,156,077	5,253,295
Total District Expenses	\$239,720,465	234,063,960	229,233,008	222,415,393	226,217,051	227,844,963	212,425,607	223,035,307	195,767,512

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues:									
Operating Grants & Contributions	\$7,752,618	9,867,886	12,808,646	8,068,901	8,438,597	8,558,685	8,429,629	7,266,111	7,602,552
Total Governmental Activities Program Revenues	7,752,618	9,867,886	12,808,646	8,068,901	8,438,597	8,558,685	8,429,629	7,266,111	7,602,552
Business-Type Activities:									
Charges for Services:									
Investments Earnings								20,578	15,128
Miscellaneous Income									(21,395)
Transfers								50,000	35,250
Tuition Received								191,138	210,341
Pupil Transportation								140,663	94,674
Food Service	3,099,881	3,386,422	3,372,171	3,836,181	3,627,630	3,555,113	3,496,677	3,328,377	2,896,583
Corporate Center	667,877	631,684	937,439	787,549	911,139	808,487	776,522	767,187	746,085
Day Care Center	722,030	707,876	443,058	443,142	434,852	3,149,057	337,159	263,456	221,035
Bennett Complex	366,712								
Pine Belt Arena	356,569	735,439	842,228	1,000,306	946,880	374,901	2,879,336	1,241,637	895,747
Operating Grants & Contributions	1,877,730	1,831,685	1,548,918	1,426,278	1,154,680	1,091,843	1,060,798	997,013	971,561
Total Business Type Activities Program Revenues	7,090,799	7,293,106	7,143,814	7,493,456	7,075,181	8,979,401	8,550,492	7,000,049	6,065,009
Total District Program Revenues	\$14,843,417	17,160,992	19,952,460	15,562,357	15,513,778	17,538,086	16,980,121	14,266,160	13,667,561
Net (Expense)/Revenue:									
Governmental Activities	(\$224,605,369)	(217,133,255)	(209,950,571)	(207,486,038)	(211,374,602)	(209,890,674)	(195,217,518)	(209,613,119)	(182,911,665)
Business-Type Activities	(271,679)	230,287	670,023	633,002	671,329	(416,203)	(227,968)	843,972	811,714
Total District-Wide Net Expense	(\$224,877,048)	(216,902,968)	(209,280,548)	(206,853,036)	(210,703,273)	(210,306,877)	(195,445,486)	(208,769,147)	(182,099,951)

**TOMS RIVER REGIONAL SCHOOL DISTRICT
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues & Other Changes in Net Assets:									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	\$131,104,192	126,219,467	115,800,000	111,634,746	107,722,170	104,580,126	102,055,793	100,238,582	97,747,697
Taxes Levied for Debt Service	6,303,660	6,427,760	6,661,616	4,065,852	2,905,077	5,696,185	4,934,395	4,135,705	3,913,881
Unrestricted Grants & Contributions	84,568,143	77,052,160	84,341,484	80,995,846	96,786,228	91,249,757	92,686,454	88,558,272	78,090,428
Investment Earnings	7	54,155	27,210	210,337	725,695	1,322,053	3,783,044	844,113	625,143
Miscellaneous Income	3,538,549	3,517,281	2,214,528	2,916,172	8,406,356	6,945,527	2,343,869	298,178	496,397
Transfers	192,280	513,209			(50,000)	265,000	(50,000)	(50,000)	
Total Governmental Activities	<u>225,706,831</u>	<u>213,784,032</u>	<u>209,044,838</u>	<u>199,822,953</u>	<u>216,495,526</u>	<u>210,058,648</u>	<u>205,753,555</u>	<u>194,024,850</u>	<u>180,873,546</u>
Business-Type Activities:									
Investment Earnings	1,954	4,225	5,291	16,561	102,635	199,707	106,472		
Transfers	(192,280)	(513,209)			50,000	(265,000)	50,000		
Total Business-Type Activities	<u>(190,326)</u>	<u>(508,984)</u>	<u>5,291</u>	<u>16,561</u>	<u>152,635</u>	<u>(65,293)</u>	<u>156,472</u>		
Total District-Wide	<u>\$225,516,505</u>	<u>213,275,048</u>	<u>209,050,129</u>	<u>199,839,514</u>	<u>216,648,161</u>	<u>209,993,355</u>	<u>205,910,027</u>	<u>194,024,850</u>	<u>180,873,546</u>
Change in Net Assets:									
Governmental Activities	\$1,101,462	(3,349,223)	(905,733)	(7,663,085)	5,120,924	167,974	10,536,037	(15,588,269)	(2,038,119)
Business-Type Activities	(462,005)	(278,697)	675,314	649,563	823,964	(481,496)	(71,496)	843,972	811,714
Total District	<u>\$639,457</u>	<u>(3,627,920)</u>	<u>(230,419)</u>	<u>(7,013,522)</u>	<u>5,944,888</u>	<u>(313,522)</u>	<u>10,464,541</u>	<u>(14,744,297)</u>	<u>(1,226,405)</u>

Source: CAFR Schedule A-2

**TOMS RIVER REGIONAL SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:									
Reserved	\$5,974,848	5,796,119	9,069,361	13,302,560	14,626,844	14,171,126	17,424,207	16,868,937	16,444,763
Assigned	\$1,364,933								
Unreserved		(1,951,224)	3,330,513	2,144,003	5,108,372	5,859,654	8,134,729	4,055,756	2,465,927
Total General Fund	\$7,339,781	3,844,895	12,399,874	15,446,563	19,735,216	20,030,780	25,558,936	20,924,693	18,910,690
All Other Governmental Funds:									
Reserved		12,799	18,272	37,020	23,300		534,079	6,874,523	
Unreserved, Reported in:									
Capital Projects Fund	\$114,112	236,647	239,675	1,113,128	4,824,617	4,727,668	11,036,546	6,288,921	26,731,529
Debt Service Fund	91,687	106,165	106,252	171	2,386,777	5,051,021	3,534,969	1,050,210	1,239,808
Total All Other Governmental Funds	\$205,799	355,611	364,199	1,150,319	7,234,694	9,778,689	15,105,594	14,213,654	27,971,337

Source: CAFR Schedule B-1

TOMS RIVER REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:									
Tax Levy	\$137,407,852	132,647,227	122,461,616	115,700,598	107,722,170	104,580,126	106,990,188	104,374,287	101,661,578
Other Local Revenue	3,644,472	4,133,207	2,441,589	6,794,020	2,163,953	2,096,298	3,526,540	25,667,290	1,426,555
Restricted Grants-in-Aid - Ocean County		4,778	4,500	21,967	13,265		15,365	13,968	12,016
State Sources	81,872,704	76,746,160	84,137,134	82,176,131	92,094,702	89,933,799	91,556,147	89,688,194	79,763,082
Federal Revenue	2,695,439	301,222		6,866,649		17,465	6,876,390	6,122,217	5,917,882
Subtotal	225,620,467	213,832,594	209,044,839	211,559,365	201,994,090	196,627,688	208,964,630	225,865,956	188,781,113
Special Revenue:									
Federal	6,836,288	8,231,588	11,626,193	6,866,649	6,844,541	1,636,176	6,876,390	6,521,389	5,787,914
State	810,414	1,074,527	1,182,453	1,202,252	1,647,646	6,922,509	1,553,239	1,646,235	2,298,248
Total Revenues	233,267,169	223,138,709	221,853,485	219,628,266	210,486,277	205,186,373	217,394,259	234,033,580	196,867,275
Expenditures:									
Instruction:									
Regular Instruction	65,935,727	66,235,265	70,775,226	60,157,586	57,677,719	57,928,682	57,493,051	55,168,148	58,115,281
Special Education Instruction	14,817,304	13,913,417	13,682,035	12,867,969	12,112,797	11,545,024	11,008,796	9,880,339	6,880,410
Other Special Instruction	1,323,853	1,378,203	1,391,433	1,337,305	1,420,945			1,747,885	878,227
Vocational	1,564,781	1,515,261	1,792,949	1,883,453	1,959,154	1,932,848	1,939,440	1,987,267	2,170,671
School Sponsored/Other Instructional	3,699,586	4,006,264	6,484,121	4,395,856	4,540,810	6,575,183	6,357,329	3,755,927	5,408,442
Adult/Continuing Education Programs	28,290	23,848	27,573	22,427	5,123	23,314	24,872	23,411	26,272
Support Services:									
Tuition	2,985,309	2,070,901	667,598	2,387,954	1,985,607	1,321,587	966,270	2,161,383	4,053,312
Student & Instruction Related Services	18,415,334	18,713,173	17,114,306	16,546,017	15,868,276	15,538,474	15,396,417	14,324,209	15,077,288
General Administration	1,913,430	2,237,326	2,740,117	2,400,865	2,619,296	2,787,596	2,312,527	2,123,648	2,898,368
School Administrative Services	10,017,867	10,150,928	10,713,775	10,424,275	7,056,575	10,795,654	7,559,041	7,609,769	6,866,798
Plant Operations & Maintenance	15,848,523	17,398,949	19,645,580	19,427,536	22,603,208	18,574,415	20,177,552	18,445,638	15,997,366
Student Transportation	11,314,786	10,923,759	12,933,062	13,748,617	13,909,398	13,312,655	12,795,104	10,997,496	12,865,727
Business & Other Support Services				292		101	1,875,122	1,749,785	2,169,112
Unallocated Benefits	74,118,411	68,242,373	62,267,473	52,799,752	59,469,404	57,984,351	47,793,936	52,668,663	43,232,302

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TOMS RIVER REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2012	20	201	2009	2008	2007	2006	2005	2004
Expenditures (continued):									
Special Schools	26,900	42,143	46,691	55,059	53,778	66,417	53,885	68,013	196,842
Capital Projects Fund	43,740	8,501	1,092,353	7,515,483	11,482,678	13,933,730	15,718,078	40,935,599	14,510,522
Debt Service Fund	6,772,384	6,766,561	7,011,966	7,107,723	6,789,447	6,959,134	6,333,270	4,890,031	4,057,657
Capital Outlay:									
Equipment	1,182,495	852,188	273,988	1,014,401	528,583	1,638,922		4,003,854	2,722,525
Facilities Acquisition & Construction Services	406,962	400,772	160,413				900,972		
Total Expenditures	230,415,682	224,879,832	228,820,659	214,092,570	220,082,798	220,918,087	208,705,662	232,541,065	198,127,122
Excess (Deficiency) of Revenues Over/(Under) Expenditures	2,851,487	(1,741,123)	(6,967,174)	5,535,696	(9,596,521)	(15,731,714)	8,688,597	1,492,515	(1,259,847)
Other Financing Sources/(Uses):									
Transfers Out				(300,000)	(50,000)	(2,135,000)	(50,000)	(50,000)	(50,000)
Transfers In	192,280	513,209							
Capital Leases (Nonbudgeted)	301,307	180,134							
Total Other Financing Sources/(Uses)	493,587	693,343		(300,000)	(50,000)	(2,135,000)	(50,000)	(50,000)	(50,000)
Net Change in Fund Balances	\$3,345,074	(1,047,780)	(6,967,174)	5,235,696	(9,646,521)	(17,866,714)	8,638,597	1,442,515	(1,309,847)
Debt Service as a Percentage of Noncapital Expenditures	3.0%	3.0%	3.1%	3.5%	3.3%	3.4%	3.3%	2.6%	2.2%

Source: District records CAFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	PRIOR YEAR REFUNDS	NET DONATIONS	RENTAL INCOME	TRANSPORTATION	MISCELLANEOUS	TOTAL
2012		1,416,542			164,538	149,326	1,764,000	3,494,406
2011	54,073	870,836			104,019	180,438	1,862,613	3,071,979
2010	26,918	400,375	20,606	163,706	84,422	127,018	1,418,402	2,241,447
2009	208,104	428,009	863,856	107,744	88,520	90,457	1,326,637	3,113,327
2008	686,927	496,449		785,522	99,604	146,741		2,215,243
2007	1,211,781	255,598	12,340	209,223	50,549	235,126	121,681	2,096,298
2006	1,182,671	200,476				151,881	1,883,900	3,418,928
2005	844,113	191,138					24,491,376	25,526,627
2004	625,143	210,341					496,397	1,331,881

Source: District records

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

YEAR ENDED DECEMBER 31, BOROUGH OF BEACHWOOD	ESTIMATED NET ASSESSED/TAXABLE VALUATIONS
2012	Not yet available
2011	1,019,970,687
2010	1,020,998,700
2009	1,042,734,166
2008	1,017,531,946
2007	945,859,318
2006	836,057,869
2005	407,110,900
2004	402,943,469
2003	399,173,837
TOWNSHIP OF TOMS RIVER	
2012	Not yet available
2011	16,986,477,060
2010	17,155,320,796
2009	17,221,567,478
2008	15,892,450,260
2007	14,189,633,928
2006	12,088,696,143
2005	6,270,976,300
2004	6,195,811,366
2003	6,106,905,362
BOROUGH OF PINE BEACH	
2012	Not yet available
2011	302,358,228
2010	302,167,066
2009	319,505,115
2008	314,323,357
2007	291,013,315
2006	258,808,832
2005	282,922,200
2004	126,218,974
2003	124,792,383
BOROUGH OF SOUTH TOMS RIVER	
2012	Not yet available
2011	282,485,773
2010	282,917,127
2009	283,439,208
2008	281,869,428
2007	281,002,203
2006	279,677,159
2005	95,207,256
2004	94,760,326
2003	94,511,376

Source: Municipal Tax Offices. Beginning with 2010, net taxable values were used from the abstract of ratables for Ocean County

**TOMS RIVER REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

ASSESSMENT YEAR	SCHOOL DISTRICT	TOWNSHIP	OCEAN COUNTY & OTHER	TOTAL
BOROUGH OF BEACHWOOD				
2012	0.730	0.650	0.344	1.724
2011	0.731	0.622	0.337	1.690
2010	0.716	0.585	0.334	1.635
2009	0.666	0.559	0.320	1.545
2008	0.627	0.533	0.316	1.476
2007	0.590	0.492	0.303	1.385
2006	1.134	1.445	0.696	3.275
2005	1.408	1.028	0.671	3.107
2004	1.388	0.932	0.637	2.957
2003	1.357	0.878	0.614	2.849
TOWNSHIP OF TOMS RIVER				
2012	0.778	0.412	0.348	1.538
2011	0.739	0.377	0.335	1.451
2010	0.706	0.347	0.317	1.370
2009	0.634	0.290	0.308	1.232
2008	1.636	0.816	0.825	3.277
2007	1.577	0.679	0.805	3.061
2006	1.587	0.700	0.765	3.052
2005	1.559	0.671	0.745	2.975
2004	1.546	0.495	0.713	2.754
2003	1.525	0.492	0.697	2.714
BOROUGH OF PINE BEACH				
2012	0.785	0.499	0.370	1.654
2011	0.785	0.484	0.361	1.630
2010	0.738	0.469	0.347	1.554
2009	0.700	0.465	0.338	1.503
2008	0.651	0.460	0.333	1.444
2007	0.637	0.441	0.326	1.404
2006	0.629	0.419	0.307	1.355
2005	0.629	0.392	0.253	1.274
2004	1.341	0.617	0.519	2.477
2003	1.402	0.600	0.630	2.632
BOROUGH OF SOUTH TOMS RIVER				
2012	0.725	0.951	0.335	2.011
2011	0.732	0.888	0.338	1.958
2010	0.696	0.862	0.341	1.899
2009	0.643	0.786	0.320	1.749
2008	0.602	0.749	0.318	1.669
2007	0.557	0.675	0.294	1.526
2006	0.521	0.617	0.262	1.400
2005	1.426	1.656	0.587	3.669
2004	1.406	1.550	0.639	3.595
2003	1.392	1.237	0.632	3.261

Source: Starting with 2010, Ocean County Board of Taxation, breakdown of tax rates

**TOMS RIVER REGIONAL SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2012			2003		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
BOROUGH OF BEACHWOOD	NOT AVAILABLE			BOROUGH OF BEACHWOOD		
	NOT AVAILABLE			NOT AVAILABLE		
TOWNSHIP OF TOMS RIVER	NOT AVAILABLE			TOWNSHIP OF TOMS RIVER		
	NOT AVAILABLE			NOT AVAILABLE		
BOROUGH OF PINE BEACH	NOT AVAILABLE			BOROUGH OF PINE BEACH		
	NOT AVAILABLE			NOT AVAILABLE		
BOROUGH OF SOUTH TOMS RIVER	NOT AVAILABLE			BOROUGH OF SOUTH TOMS RIVER		
	NOT AVAILABLE			NOT AVAILABLE		

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

CALENDAR YEAR ENDED JUNE 30,	TOTAL TAX LEVY	AMOUNT	PERCENTAGE OF LEVY
Borough of Beachwood			
2011	Not Available	Not Available	Not Available
2010	16,733,588	16,173,953	96.66%
2009	15,784,498	15,293,527	96.89%
2008	15,052,335	14,585,758	96.90%
2007	4,973,573	4,813,424	96.78%
2006	13,650,847	13,311,187	97.51%
2005	12,789,684	12,478,894	97.57%
2004	12,029,198	11,742,859	97.62%
2003	11,477,757	11,186,891	97.47%
2002	11,130,584	10,836,631	97.36%
Township of Toms River			
2011	254,757,257	246,018,967	96.57%
2010	242,727,698	235,626,904	97.07%
2009	118,269,202	113,188,256	95.70%
2008	212,485,362	207,940,875	97.86%
2007	204,585,917	199,333,209	97.43%
2006	200,128,145	196,019,651	97.95%
2005	186,578,632	182,722,866	97.93%
2004	180,807,948	177,199,228	98.00%
2003	168,638,034	165,316,009	98.03%
2002	162,920,741	159,558,539	97.94%
Borough of Pine Beach			
2011	Not Available	Not Available	Not Available
2010	4,699,487	4,581,889	97.50%
2009	4,539,269	4,400,340	96.94%
2008	4,340,945	4,245,010	97.79%
2007	4,220,441	4,093,406	96.99%
2006	3,929,341	3,811,128	96.99%
2005	3,790,417	3,676,383	96.99%
2004	3,298,547	3,199,153	96.99%
2003	3,247,116	3,093,852	95.28%
2002	3,195,702	3,106,706	97.22%
Borough of South Toms River			
2011	\$2,066,898	\$2,066,374	99.97%
2010	5,395,819	5,153,044	95.50%
2009	4,962,865	4,754,738	95.81%
2008	4,730,142	4,493,635	95.00%
2007	4,306,774	4,188,314	97.25%
2006	3,913,699	3,799,376	97.08%
2005	3,597,799	3,524,830	97.97%
2004	3,415,940	3,322,343	97.26%
2003	3,094,444	2,985,638	96.48%
2002	2,944,950	2,811,382	95.46%

Source: Municipal Tax Offices

**TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST NINE FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	% OF ² PERSONAL INCOME	OCEAN COUNTY PER CAPITA ²
	GENERAL ¹ OBLIGATION BONDS	NOTE PAYABLES	CAPITAL LEASES			
2012	\$67,394,000	3,197,210	455,380	71,046,590	N/A	N/A
2011	70,799,000	3,461,507	143,426	74,403,933	N/A	N/A
2010	74,069,000	3,275,537	156,609	77,501,146	1.73%	40,291
2009	77,369,000	4,682,119	219,765	82,270,884	1.96%	39,331
2008	80,114,000	7,145,487	325,618	87,585,105	2.18%	40,975
2007	82,924,000	6,286,401	143,487	89,353,888	2.32%	39,214
2006	84,284,000	6,327,316	223,369	90,834,685	2.42%	36,773
2005	86,234,000		102,580	86,336,580	2.45%	34,497
2004	63,584,000		89,497	63,673,497	1.86%	33,567

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

¹Includes Early Reirement Incentive Plan (ERIP) Refunding.

² See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar years.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST NINE FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2012	\$67,394,000	N/A	N/A
2011	70,799,000	0.38%	N/A
2010	76,426,667	0.40%	672.56
2009	81,133,249	0.46%	720.83
2008	80,114,000	0.51%	717.15
2007	82,924,000	1.04%	744.51
2006	84,284,000	2.52%	753.53
2005	86,234,000	2.83%	778.43
2004	63,584,000	2.85%	582.34

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

Source: Assessed valuations were provided by the Abstract of Ratables, County Board of Taxation.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Toms River	\$70,591,210	100%	\$70,591,210
Net Overlapping Debt of School District:			
Beachwood	10,565,685	100%	\$10,565,685
Toms River	122,816,889	100%	\$122,816,889
Pine Beach	4,337,059	100%	\$4,337,059
South Toms River		100%	
Total Direct & Overlapping Debt			<u>\$208,310,843</u>

Sources: Ocean County Office of the Treasurer, Beachwood, Toms River Township, Pine Beach and South Toms River.

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

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST EIGHT FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR							
	2012	2011	2010	2009	2008	2007	2006	2005
Debt Limit	\$746,186,283	751,626,286	694,120,977	649,556,991	622,630,583	381,037,529	507,337,658	295,856,343
Total Net Debt Applicable to Limit	70,591,210	70,799,000	76,426,667	81,133,249	80,114,000	82,924,000	84,284,000	63,584,000
Legal Debt Margin	<u>\$675,595,073</u>	<u>680,827,286</u>	<u>617,694,310</u>	<u>568,423,742</u>	<u>542,516,583</u>	<u>298,113,529</u>	<u>423,053,658</u>	<u>232,272,343</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.46%	9.42%	11.01%	12.49%	12.87%	21.76%	16.61%	21.49%

Legal Debt Margin Calculation for Fiscal Year 2011

	Equalized Valuation Basis
	2011 \$18,466,250,720
	2010 18,581,547,249
	2009 <u>18,916,173,291</u>
	<u>\$55,963,971,260</u>
Average Equalized Valuation of Taxable Property	<u>\$18,654,657,087</u>
Debt Limit (4 % of Average Equalization Value)	\$746,186,283
Net Bonded School Debt	<u>70,591,210</u>
Legal Debt Margin	<u>\$675,595,073</u>

Source: Equalized valuation bases were obtained from the Department of Education, regional allocation forms

**TOMS RIVER REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	OCEAN COUNTY PER CAPITA PERSONAL INCOME (b)	UNEMPLOYMENT RATES(c)			
			BEACHWOOD	TOMS RIVER	PINE BEACH	S. TOMS RIVER
2011	108,618	N/A	10.7%	9.9%	8.8%	16.8%
2010*	108,095	40,291	10.3%	9.7%	8.4%	16.1%
2009	113,263	39,331	9.8%	9.4%	8.0%	15.4%
2008	112,324	40,975	5.9%	6.8%	4.8%	9.5%
2007	111,362	39,214	4.6%	5.1%	3.7%	7.4%
2006	110,759	36,773	5.2%	5.5%	4.2%	8.4%
2005	100,932	34,497	4.5%	4.8%	3.7%	7.5%
2004	109,988	33,567	6.6%	4.2%	4.2%	6.6%
2003	109,421	43,066	6.4%	4.9%	4.8%	7.6%
2002	108,517	42,222	6.1%	4.6%	4.6%	7.1%
2001	106,644	40,820	4.6%	3.5%	3.4%	5.4%

*2010 Census

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

^a Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

^b Per capita personal income by county estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

^c Unemployment data provided by the NJ Dept of Labor and Workforce Development. Note that that there is recent revised data for the years 2004 through 2001 due to the new unemployment estimation procedure.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

NOT APPLICABLE

**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS**

Function/Program	2012	2011	2010*	2009	2008	2007	2006	2005
Instruction:								
Regular	948	940	1,043	1,100	1,178	1,216	1,234	1,223
Special Education	186	186	322	304	165	104	98	90
Other Special Instruction				3	3	3	1	1
Vocational	22	24	23	26	4	5	4	6
Support Services:								
Student & Instruction								
Related Services	248	261	40	46	68	70	151	149
School Administrative								
Services	163	163	137	102	124	131	172	175
General Administration	35	35	34	77	77	75	80	78
Plant Operations &								
Maintenance	265	271	272	175	178	174	180	176
Administrative Information								
Technology	17	18	18	19	11	11	13	13
Pupil Transportation	188	186	185	190	187	187	191	198
Other Support Services	124	125	121	111	87	87	148	150
Total	2,196	2,209	2,195	2,153	2,082	2,063	2,272	2,259

* In 2010, there was a change in allocation methodology for staff

Source: District Personnel Records

**TOMS RIVER REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST EIGHT FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2012	16,805	\$218,104,770	12,979		1,156	14.4	16,787.4	15,842.4	-1.1%	94.4%
2011	17,020	218,104,770	12,815	-4.7%	1,150	14.3	16,975.6	15,938.0	-0.7%	93.9%
2010	17,170	228,820,659	13,327	2.9%	1,193		17,090.1	16,071.8	-0.5%	94.0%
2009	17,239	222,461,471	12,905	-2.7%	1,295		17,169.8	16,144.2	-0.4%	94.0%
2008	17,396	228,524,985	13,137	0.5%	1,350		17,230.5	16,185.3	-2.0%	93.9%
2007	17,634	227,341,772	12,892	4.7%	1,228		17,576.4	16,478.4	-1.5%	93.8%
2006	18,181	217,085,291	11,940	-9.8%	1,235		17,851.4	16,692.7	-1.5%	93.5%
2005	18,244	240,658,689	13,191	0.7%	1,224		18,121.5	16,938.2	-0.1%	93.5%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a

Starting with 2011, operating expenditures equal total expenditures less debt service and capital projects (J-4).

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

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

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST NINE FISCAL YEARS**

DISTRICT BUILDINGS	2012	2011	2010*	2009*	2008*	2007*	2006*	2005*	2004*
Elementary Schools:									
Beachwood (1988):									
Square Feet	70,445	70,445							
Capacity	786	786							
Enrollment	591	586							
Cedar Grove (1971):									
Square Feet	132,194	132,194							
Capacity	1,134	1,134							
Enrollment (a)	883	920							
Citta (1999):									
Square Feet	70,581	70,581							
Capacity	844	844							
Enrollment	672	670							
East Dover (1954):									
Square Feet	97,718	97,718							
Capacity	1,182	1,182							
Enrollment	757	767							
Hooper Avenue (1965):									
Square Feet	89,063	89,063							
Capacity	1,134	1,134							
Enrollment	756	723							
North Dover (1956):									
Square Feet	70,492	70,492							
Capacity	855	855							
Enrollment	649	667							
Pine Beach (1953):									
Square Feet	58,341	58,341							
Capacity	614	614							
Enrollment	440	466							
Silver Bay (1972):									
Square Feet	112,930	112,930							
Capacity	1,134	1,134							
Enrollment	662	693							
South Toms River (1982):									
Square Feet	58,940	58,940							
Capacity	587	587							
Enrollment	375	367							
Walnut Street (1965):									
Square Feet	87,663	87,663							
Capacity	1,134	1,134							
Enrollment	843	845							
Washington Street (1960):									
Square Feet	49,890	49,890							
Capacity	533	533							
Enrollment	385	402							
West Dover (1963):									
Square Feet	56,442	56,442							
Capacity	656	656							
Enrollment	407	407							

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST NINE FISCAL YEARS**

DISTRICT BUILDINGS	2012	2011	2010*	2009*	2008*	2007*	2006*	2005*	2004*
Middle Schools:									
East (1962):									
Square Feet	259,829	259,829							
Capacity	1,518	1,518							
Enrollment	1,467	1,512							
North (1974):									
Square Feet	178,332	178,332							
Capacity	1,610	1,610							
Enrollment	1,423	1,412							
South (2005):									
Square Feet	194,382	194,382							
Capacity	1,242	1,242							
Enrollment	1,052	1,065							
High Schools:									
East (1979):									
Square Feet	241,420	241,420							
Capacity	1,980	1,980							
Enrollment	1,606	1,666							
North (1969):									
Square Feet	404,277	404,277							
Capacity	2,421	2,421							
Enrollment	2,210	2,311							
South (1951):									
Square Feet	172,344	172,344							
Capacity	1,421	1,421							
Enrollment	1,397	1,506							
Other Buildings:									
Central Administration:									
Square Feet	79,417	79,417							
Transportation Compound									
Square Feet	34,800	34,800							
Facilities Compound									
Square Feet	32,325	32,325							

Number of Schools at June 30, 2012:

- Elementary Schools = 12
- Middle Schools = 3
- Senior High Schools = 3
- Other = 3

Source: District Facilities Office, District Records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count (October 2010), full and shared students on roll

* For 2010 and prior (back to 2004), the District grouped schools by elementary, middle and high school. For 2011 and going forward, this information will be broken down by individual school.

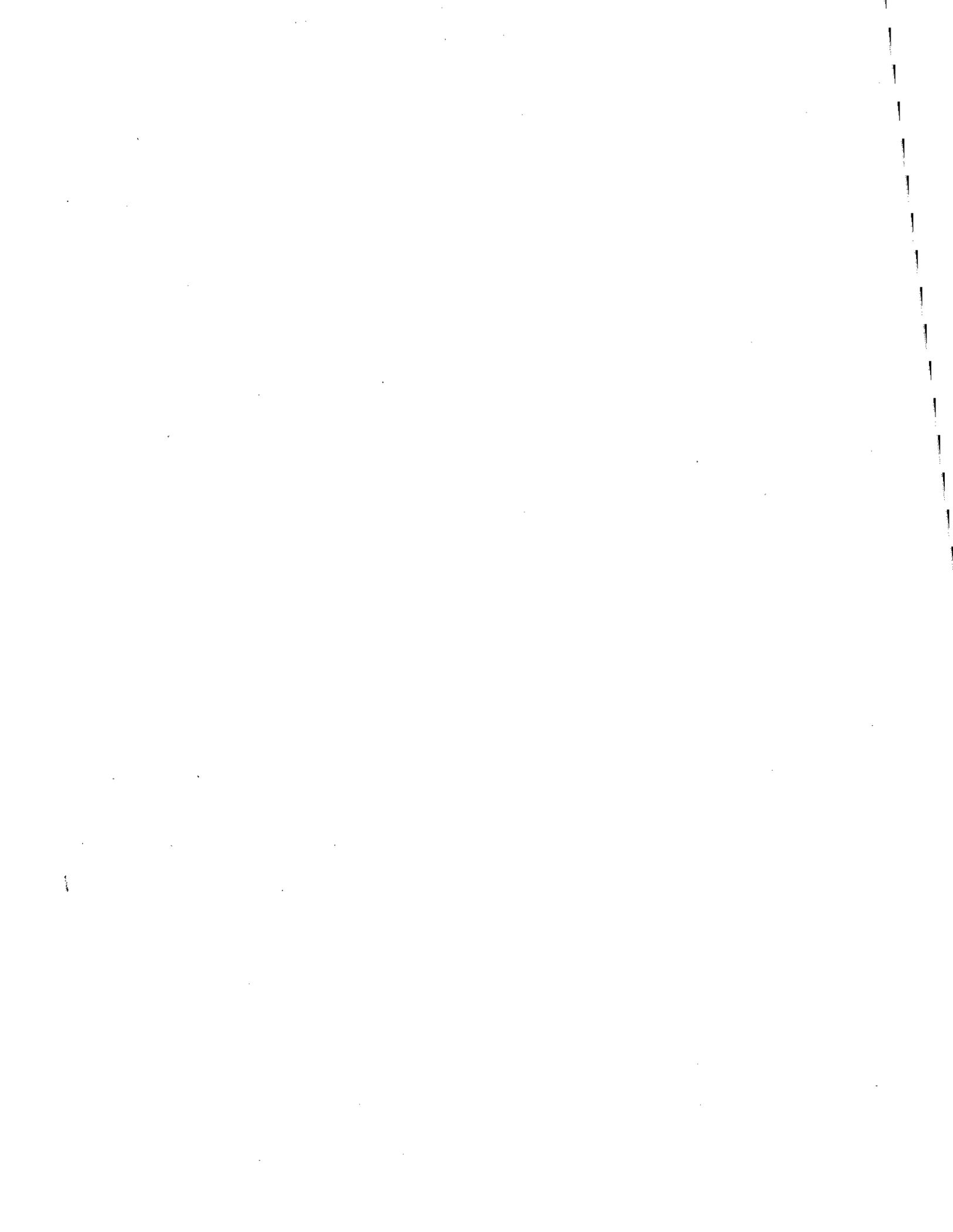
**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST NINE FISCAL YEARS
UNAUDITED**

SCHOOL FACILITIES	PROJECT # (s)	2012	2011	2010	2009	2008	2007	2006	2005	2004
High Schools:										
East		\$286,299	257,878	332,722	50,893	114,428	72,158	67,332	29,942	134,784
North		445,221	423,319	549,600	71,788	65,327	74,854	138,171	94,597	121,117
South		250,554	179,389	232,319	62,349	72,272	70,103	47,236	59,520	88,381
Intermediate Schools:										
East		291,563	260,478	349,560	35,084	19,739	41,514	46,564	60,024	16,267
North		222,066	205,757	240,699	35,788	28,315	29,217	38,892	41,575	136,643
South		214,785	202,992	260,753	14,065	30,645	12,203	15,284		
Elementary Schools:										
Beachwood		78,146	75,315	103,149	12,488	22,660	10,478	28,588	26,368	34,516
Cedar Grove		140,367	142,394	188,818	17,864	10,533	8,338	30,839	21,630	12,925
Joseph A. Citta		84,021	78,382	139,651	12,058	18,013	14,577	11,348	27,436	19,765
East Dover		103,931	105,275	136,544	9,401	12,839	9,176	32,042	24,590	20,043
Hooper Avenue		108,156	114,434	116,688	24,040	21,015	28,542	15,771	93,764	14,866
North Dover		85,764	78,720	89,940	8,082	20,079	17,381	21,637	32,789	46,378
Pine Beach		64,431	66,679	160,947	20,698	19,353	17,801	25,449	30,549	8,897
Silver Bay		120,175	117,101	86,267	10,858	24,038	57,997	16,066	21,451	22,654
South Toms River		69,950	65,135	144,249	13,815	13,951	27,394	23,608	48,774	13,851
Walnut Street		95,540	90,339	75,063	6,694	8,481	9,768	13,095	13,913	15,324
Washington Street		57,268	52,728	84,839	18,694	11,313	10,370	10,052	21,532	20,478
West Dover		69,818	64,120	104,586	15,904	10,721	17,957	37,191	20,668	17,603
Subtotal		<u>2,788,055</u>	<u>2,580,435</u>	<u>3,396,394</u>	<u>440,563</u>	<u>523,722</u>	<u>529,828</u>	<u>619,165</u>	<u>669,122</u>	<u>744,492</u>
Other Facilities		<u>148,916</u>	<u>140,277</u>	<u>221,489</u>	<u>3,121,847</u>	<u>2,822,695</u>	<u>3,789,042</u>	<u>2,549,210</u>	<u>2,793,762</u>	<u>2,709,341</u>
Grand Total		<u>\$2,936,971</u>	<u>2,720,712</u>	<u>3,617,883</u>	<u>3,562,410</u>	<u>3,346,417</u>	<u>4,318,870</u>	<u>3,168,375</u>	<u>3,462,884</u>	<u>3,453,833</u>

**TOMS RIVER REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2012
UNAUDITED**

	COVERAGE	DEDUCTIBLE / SIR
Excess General Liability/ Auto Liability	11,000,000/ 25,000,000	300,000
Excess Workers Compensation	Statutory	500,000
Property Coverage for Claims Against Fire, Damage or Other Losses, Including boiler & Machinery, Physical Plant Structure & Inland Marine	50,000,000	100,000
Professional Liability - Incidental Medical Malpractice	1,000,000/6,000,000	
Underground Storage Tank	1,000,000/3,000,000	25,000
Bonds:		
Commercial Crime/Employee Dishonesty Bond	1,000,000	1,000
Public Employees Faithful Performance	703,000	Treasurer
Position Bond	5,000	Business Administrator
Position Bond	5,000	Board Secretary
Excess Student Accident	5,000,000	25,000

Source: District Records



SINGLE AUDIT SECTION

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Toms River Regional School District
County of Ocean
Toms River, New Jersey 08753

We have audited the financial statements of the Board of Education of the Toms River Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated October 26, 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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting as Finding No.'s: 2012-02, 2012-03, 2012-04 and 2012-05. A significant deficiency is a deficiency, or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education of the Toms River Regional 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*.

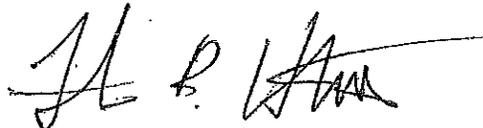
Toms River Regional School District's response to the findings identified in our audit is described in the accompanying general comments and recommendations. We did not audit Toms River Regional School District's response and, accordingly, we express no opinion on it.

We noted certain matters that we reported to the management of the Toms River Regional School District in a separate *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated October 26, 2012.

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

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
October 26, 2012



Certified Public Accountants & Consultants

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EXHIBIT K-2

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable President and Members
of the Board of Education
Toms River Regional School District
County of Ocean
Toms River, New Jersey 08753

Compliance

We have audited the compliance of the Board of Education of the Toms River Regional School District, in the County of Ocean, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. The Board of Education of the Toms River Regional 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 that could have a direct and material effect on each of its major federal and state programs is the responsibility of the Board of Education of the Toms River Regional School District's management. Our responsibility is to express an opinion on the Board of Education of the Toms River Regional School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Board of Education of the Toms River Regional 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 Board of Education of the Toms River Regional School District's compliance with those requirements.

In our opinion, the Board of Education of the Toms River Regional School District, County of Ocean, State of New Jersey, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal or state programs for the year ended June

30, 2012. The results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04.

Internal Control Over Compliance

The management of the Board of Education of the Toms River Regional School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants that could have a direct and material effect on major federal and state programs. In planning and performing our audit, we considered the Board of Education of the Toms River Regional School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Board of Education of the Toms River Regional School District's internal control over compliance.

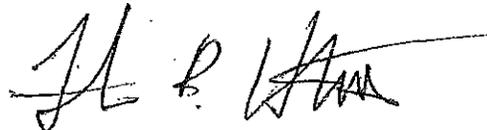
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
October 26, 2012

TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	DEFERRED REVENUE AT JUNE 30, 2012	(ACCOUNTS RECEIVABLE) JUNE 30, 2012	DUE TO GRANTOR JUNE 30, 2012
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Enterprise Fund:										
Food Distribution Program	10.550		\$273,956	7/1/11-6/30/12		273,956	(273,956)			
National School Breakfast Program	10.553		132,999	7/1/11-6/30/12		124,017	(132,999)		(8,982)	
National School Breakfast Program	10.553		109,017	7/1/10-6/30/11	(\$6,638)	6,638				
National School Lunch Program	10.555		1,421,464	7/1/11-6/30/12		1,368,003	(1,421,464)		(53,461)	
National School Lunch Program	10.555		1,391,819	7/1/10-6/30/11	(61,785)	61,785				
Total Enterprise Fund					(68,423)	1,834,399	(1,828,419)		(62,443)	
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
General Fund:										
Medical Assistance Program (SEMI)	93.778		235,482	9/1/11-8/31/12		235,482	(235,482)			
Education Jobs Fund Program	84.410		2,459,957	9/1/10-8/31/12		1,605,685	(2,459,957)		(854,272)	
Total General Fund						1,841,167	(2,695,439)		(854,272)	
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
No Child Left Behind:										
Special Revenue Fund:										
Title I:										
Part A Basic	84.010A	NCLB	2,525,743	9/1/11-8/31/12		1,403,736	(2,341,423)		(937,687)	
Part A Basic	84.010A	NCLB	2,723,305	9/1/10-8/31/11	(958,102)	1,141,740	(183,638)			
Title II:										
Class Size Reduction	84.367	NCLB	615,645	9/1/11-8/31/12		459,563	(615,643)		(156,080)	
Class Size Reduction	84.367	NCLB	717,900	9/1/10-8/31/11	(164,909)	164,909				
Class Size Reduction	84.367	NCLB	666,306	9/1/09-8/31/10	(450)	450				
IKE Math/Science	84.318	NCLB	5,650	9/1/10-8/31/11	(414)	977	(563)			
Title III:										
Part A	84.365A	NCLB	35,095	9/1/11-8/31/12		16,026	(21,703)		(5,677)	
Part A	84.365A	NCLB	47,504	9/1/10-8/31/11	(12,297)	22,566	(10,269)			
Part A - Immigration	84.365A	NCLB	18,535	9/1/10-8/31/11	(2,743)	11,276	(8,532)			1
Title IV:										
Safe & Drug Free Schools	84.186A	NCLB	51,312	9/1/09-8/31/10	(100)	100				
I.D.E.A.-Basic Regular	84.027	FT285011	3,834,684	9/1/11-8/31/12		3,834,684	(3,808,796)	25,888		
I.D.E.A.-Basic Regular	84.027	FT285010	3,780,996	9/1/10-8/31/11	(356,677)	379,431	(22,754)			
I.D.E.A. Preschool	84.173	PS285011	128,885	9/1/11-8/31/12		128,885	(128,343)	542		
I.D.E.A. Preschool	84.173	PS285011	129,465	9/1/10-8/31/11	(11,264)	11,266		2		
I.D.E.A. Preschool	84.173	PS285010	122,898	9/1/09-8/31/10	(12,035)	53,680	(41,645)			
ARRA/I.D.E.A.	84.391		4,236,235	9/1/09-8/31/10	(24,987)	24,987				
ARRA/I.D.E.A. Preschool	84.392		153,011	9/1/09-8/31/10	(9,750)	9,750				
Total Special Revenue Fund					(1,553,728)	7,664,026	(7,183,309)	26,432	(1,099,444)	1
Total Federal Financial Assistance					(\$1,622,151)	11,339,592	(11,707,167)	26,432	(2,016,159)	1

TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) JUNE 30, 2012	DUE TO GRANTOR JUNE 30, 2012	MEMO	
										BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:											
General Fund:											
Categorical Transportation Aid	12-495-034-5120-014	\$4,531,932	7/1/11-6/30/12		4,531,932	(4,531,932)				(447,337)	4,531,932
Non-Public Transportation Aid	12-495-034-5120-015	28,536	7/1/11-6/30/12			(28,536)		(28,536)			28,536
Non-Public Transportation Aid	11-495-034-5120-015	56,471	7/1/10-6/30/11	(\$32,016)	32,016						
Categorical Special Education Aid	12-495-034-5120-089	8,557,865	7/1/11-6/30/12		8,557,865	(8,557,865)				(844,728)	8,557,865
Extraordinary Aid	12-495-034-5120-473	679,102	7/1/11-6/30/12			(679,102)		(679,102)			679,102
Extraordinary Aid	11-495-034-5120-473	393,950	7/1/10-6/30/11	(725,348)	725,348						
Equalization Aid	12-495-034-5120-078	40,108,293	7/1/11-6/30/12		40,108,293	(40,108,293)				(3,959,003)	40,108,293
Categorical Security Aid	12-495-034-5120-084	1,766,358	7/1/11-6/30/12		1,766,358	(1,766,358)				(174,353)	1,766,358
Adjustment Aid	12-495-034-5120-085	11,140,256	7/1/11-6/30/12		11,140,256	(11,140,256)				(1,099,632)	11,140,256
TPAF Wage Freeze Grant	11-495-034-5095-002		7/1/10-6/30/11	(62,255)	62,255						
State Transportation	N/A	187,089	7/1/11-6/30/12		187,089	(187,089)					
Anti-Bullying Bill of Rights Act	N/A	1,123	7/1/11-6/30/12		1,123	(1,123)					
TPAF Social Security Contributions	12-495-034-5095-002		7/1/11-6/30/12		6,347,353	(6,347,353)					6,347,353
On-Behalf TPAF Pension Contributions	12-495-034-5095-006		7/1/11-6/30/12		8,577,970	(8,577,970)					8,577,970
Total General Fund				(819,619)	82,037,858	(81,925,877)		(707,638)		(6,525,053)	81,737,665
Special Revenue Fund:											
NJ Nonpublic Aid:											
Textbook Aid	12-100-034-5120-064	85,294	7/1/11-6/30/12		85,294	(85,214)			80		85,214
Textbook Aid	11-100-034-5120-064	108,280	7/1/10-6/30/11	5,099			(5,099)				
Nursing Aid	12-100-034-5120-070	121,837	7/1/11-6/30/12		121,837	(121,837)					121,837
Auxiliary Services (Chapter 192):											
Home Instruction	12-100-034-5120-067	19,432	7/1/11-6/30/12			(19,432)		(19,432)			19,432
Home Instruction	11-100-034-5120-067	24,483	7/1/10-6/30/11	(24,483)	24,483						
Compensatory Education	12-100-034-5120-067	459,268	7/1/11-6/30/12		459,268	(289,769)			169,499		289,769
Compensatory Education	11-100-034-5120-067	455,055	7/1/10-6/30/11	8,272			(8,272)				
English as a Second Language	12-100-034-5120-067	4,310	7/1/11-6/30/12		4,310				4,310		
English as a Second Language	11-100-034-5120-067	6,831	7/1/10-6/30/11	6,831			(6,831)				
Transportation	12-100-034-5120-067	16,756	7/1/11-6/30/12		16,756	(16,756)					16,756
Handicapped Services (Chapter 193):											
Examination & Classification	12-100-034-5120-066	151,056	7/1/11-6/30/12		151,056	(130,079)			20,977		130,079
Examination & Classification	11-100-034-5120-066	201,689	7/1/10-6/30/11	51,800			(51,800)				
Corrective Speech	12-100-034-5120-066	79,617	7/1/11-6/30/12		79,617	(56,952)			22,665		56,952
Corrective Speech	11-100-034-5120-066	88,480	7/1/10-6/30/11	3,679			(3,679)				
Supplementary Instruction	12-100-034-5120-066	128,939	7/1/11-6/30/12		128,939	(90,375)			38,564		90,375
Supplementary Instruction	11-100-034-5120-066	123,680	7/1/10-6/30/11	10,913			(10,913)				
Total Special Revenue Fund				62,111	1,071,560	(810,414)	(86,594)	(19,432)	256,095		810,414
Debt Service Fund:											
Debt Service - Type II Aid	12-495-034-5120-017	362,645	7/1/11-6/30/12		362,645	(362,645)					362,645
Total Debt Service Fund					362,645	(362,645)					362,645
State Department of Agriculture											
Enterprise Fund:											
State School Lunch Program	12-100-010-3350-023	49,311	7/1/11-6/30/12		47,529	(49,311)		(1,782)			49,311
State School Lunch Program	11-100-010-3350-023	49,966	7/1/10-6/30/11	(2,290)	2,290						
Total Enterprise Fund				(2,290)	49,819	(49,311)		(1,782)			49,311
Total State Financial Assistance				(\$759,798)	83,521,882	(83,148,247)	(86,594)	(728,852)	256,095	(6,525,053)	82,960,035

**TOMS RIVER REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
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 Board of Education, Toms River Regional School District. The Board of Education is defined in Note 1 to the Board'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 is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements.

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(415,818) for the general fund and \$(360,480) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**TOMS RIVER REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2012**

Note 3. Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$ 2,695,439	\$81,510,059	\$84,205,498
Special Revenue Fund	6,836,288	810,414	7,646,702
Debt Service Fund		362,645	362,645
Enterprise Fund	<u>1,828,419</u>	<u>49,311</u>	<u>1,877,730</u>
Total Financial Assistance	<u>\$11,360,146</u>	<u>\$82,732,429</u>	<u>\$94,092,575</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. Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

Note 6. Federal and State Loans Outstanding

The Toms River Regional School District had no loan balances outstanding at June 30, 2012.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section I – Summary of Auditor’s Results

Financial Statements:

- | | |
|---|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material Weakness(es) Identified? | None Noted |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to the financial statements? | None Noted |

Federal Awards:

- | | |
|---|-------------|
| 1. Dollar threshold used to determine Type A Programs | \$300,000 |
| 2. Auditee qualified as low-risk Auditee? | Yes |
| 3. Type of auditors' report on compliance for major programs | Unqualified |
| 4. Internal Control over compliance: | |
| a. Material weakness(es) identified? | None Noted |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None Noted |
| c. Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (Section .510(a))? | None Noted |
| 5. Identification of major programs: | |

C.F.DA Numbers

Name of Federal Program or Cluster

84.410	Education Jobs Fund
10.553	National School Breakfast Program
10.555	National School Lunch Program

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section I – Summary of Auditor’s Results (continued):

State Awards:

1. Dollar threshold used to determine Type A Programs	\$2,488,801
2. Auditee qualified as low-risk Auditee?	None Noted
3. Type of auditors' report on compliance for major programs	Unqualified
4. Internal Control over compliance:	
a. Material weakness(es) identified?	None Noted
b. Significant deficiencies identified that are not considered to be material weaknesses?	None Noted
c. Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04?	None Noted

5. Identification of major programs:

GMIS Number	Name of State Program
12-495-034-5120-089	Categorical Special Education Aid
12-495-034-5120-084	Categorical Security Aid
12-495-034-5120-078	Equalization Aid
12-495-034-5120-085	Adjustment Aid
12-495-034-5120-014	Categorical Transportation Aid
12-495-034-5095-002	TPAF Social Security Contributions

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

Finding 2012–05:

Criteria or Specific Requirement:

Capital asset tags must be affixed to all capital assets in the District and should match the detailed report maintained by the District. Additionally, the location of the capital assets must be properly recorded and obsolete assets should be removed from the capital asset listing in a timely manner.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section II – Financial Statement Findings (continued):

Finding 2012–05 (continued):

Condition:

Out of a sample of sixty-five (65) capital assets examined, assets were not in their specified location or were not able to be located.

Context:

Out of a sample of sixty-five (65) capital assets examined, five (5) were in a different location than as specified on the District's records; five (5) assets under \$10,000 could not be located; and an additional three (3) assets were not able to be located and were disposed of due to their age.

Effect:

Missing or illegible tag numbers could lead to capital assets that are unaccounted for within the District or in the ledger system. Assets can become misplaced if the location is moved and not recorded.

Cause:

Tag stickers become worn or detached due to constant handling. Capital assets are moved by employees and the new location is not recorded by the District.

Recommendation:

That the District replaces all missing or worn tag stickers, properly records the location of the assets and records the disposal of obsolete assets.

Views of Responsible Officials and Planned Corrective Actions:

District will correct in Fiscal Year 2013.

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2012**

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

Finding 2010-01:

Condition:

The documents obtained by the District in a Request for Qualifications in connection with its Worker's Compensation Program were not memorialized in a formal written contract that fully documented such services.

Current Status:

This condition has been corrected.

Finding 2011-02:

Condition:

Reports generated by the cafeteria registers do not properly break down cash sales versus sales on student prepaid cards. Breakfast, lunch and ala cart receipts are broken down and categorized using assumptions.

Current Status:

This condition has been corrected.

Finding 2011-04:

Condition:

Out of a sample of 25 capital assets examined, 19 did not have the required tag affixed to the asset or the tag was worn and illegible.

Current Status:

This condition has been corrected.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT (continued):
For the Fiscal Year Ended June 30, 2011**

Finding 2011-05:

Condition:

Out of a sample of 25 capital assets examined, one concert lighting fixture could not be located within the District.

Current Status:

Although progress has been made, this condition has not been corrected.