

**SCHOOL DISTRICT  
OF**

**BURLINGTON  
TOWNSHIP**

**Burlington Township Board of Education  
Burlington, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2015**

**Comprehensive Annual  
Financial Report**

**of the**

**Burlington Township Board of Education**

**Burlington, New Jersey**

**For the Fiscal Year Ended June 30, 2015**

**Prepared by  
Burlington Township Board of Education  
Finance Department**

# BURLINGTON TOWNSHIP SCHOOL DISTRICT

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**Introductory Section**

**BURLINGTON TOWNSHIP SCHOOLS**  
PO Box 428 - 700 Jacksonville Road - Hopkins Building  
Burlington, NJ 08016

Mrs. Mary Ann Bell  
Interim Superintendent, School Business Administrator

609-387-3955 x 2057  
mbell@burltwpsch.org

November 27, 2015

Honorable President and  
Members of the Board of Education  
Burlington Township School District  
Burlington, New Jersey 08016

Dear Board Members:

The comprehensive annual financial report of the Burlington Township School District for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for the accuracy of the data, completeness and fairness of the presentation, including all disclosures, rests with the management of the Burlington Township Board of Education. To the best of our knowledge and belief, the data present in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 has been prepared in accordance with Governmental Accounting Standards Board Statement 34 and 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 general purpose 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 Payments."* 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, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Burlington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. Burlington Township 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 grade 12. These include regular and vocational, as well as special education for handicapped students between the ages of 3 and 21 years old. The District completed the 2014-2015 fiscal year with an enrollment of 3,994 students, which is substantially unchanged from the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Average Student Enrollment	Percent Change
2005-2006	4,067	-1.02
2006-2007	4,182	1.03
2007-2008	4,179	.71
2008-2009	4,169	-2.39
2009-2010	4,055	-2.73
2010-2011	4,104	1.20
2011-2012	4,061	-1.05
2012-2013	4,021	-.98
2013-2014	4,043	.55
2014-2015	3,994	-1.21

- 2) **ECONOMIC CONDITION AND OUTLOOK:** The Burlington Township area had experienced a period of rapid development and expansion that has leveled off. The number of families sharing housing in the community has presented challenges to understanding the needs of students prior to enrollment and has resulted in an increase for educational services. Due to the economy, the Free and Reduced Lunch numbers have increased dramatically over the last several years, as well as homeless counts, temporary residency affidavits cases and guardianship affidavit cases.

The district has engaged a full demographic study for the purpose of understanding the potential future enrollments in order to utilize this information in the strategic planning process.

3) **MAJOR INITIATIVES**

**STRATEGIC PLANNING AND GOAL SETTING:** The Burlington Township School District engages in a yearly goal setting process that is driven by a long-range strategic plan. The Mission of the District is *to develop the intellectual, creative, and social potential of each child through an active partnership with all members of the community.* The District has established four broad goals focused on ***improving teaching and learning, fostering a safe and secure climate, engaging the community in meaningful ways, and promoting efficiency and quality through effective management and operations.*** During 2014-15, within these four major goal areas, the District focused on objectives within these goal areas.

**STUDENT ACADEMIC PROGRESS:** Student academic progress is measured, in part, by standardized assessments in previous years these assessments were the NJASK and NJHSPA. 2014-2015 marked the first time the PARCC standardized tests were administered. Principally, the district scored close to the state average in all areas except one. In 2015, Burlington Township students scored an average of 486 on the mathematics SAT, 469 in critical reading, and 482 in writing. For June 2015, one hundred

percent of Burlington Township students have met the State testing standards required for graduation. Additionally, Burlington Township High School requires four years of study in all four core content areas, which exceeds state graduation requirement. The Burlington Township attendance rate is over 95% and the dropout rate less than 1%. Ninety-five percent of Burlington Township students continue their education after high school at four-year colleges and universities, community colleges, and technical schools.

**SUMMARY OF SPECIFIC INITIATIVES:** The Center for Education has worked on aligning the district's curricula to the Common Core Standards. The district has completed a three year technology plan and was prepared for the PARCC on-line testing in 2014-2015. The district has introduced on-line student assessments in grades 1-8 via MAP software for math benchmarking and at grades 9-12 using the STAR assessment software for both math and language arts benchmarking to further understand the needs of our students.

The district has engaged in a five-year safety and security project entitled Project Guardian and a continuous safety and security process review team entitled Team Guardian.

The district is presenting a referendum to voters in December 2015 to refurbish needed specific facilities in each school. The timing of this referendum takes into consideration the expiration of debt currently outstanding.

- 4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principals (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 as well as to determine that the District has complied with applicable laws and regulations. The district fiscal management team reviews the standard operating procedures on an annual basis and alters the SOPs as needed to continue to ensure the fiscal responsibility is well managed.

5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Capital budgets are approved for capital improvements and are accounted for in the capital project fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are reported as reservations of fund balance at June 30, 2015.

6) **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

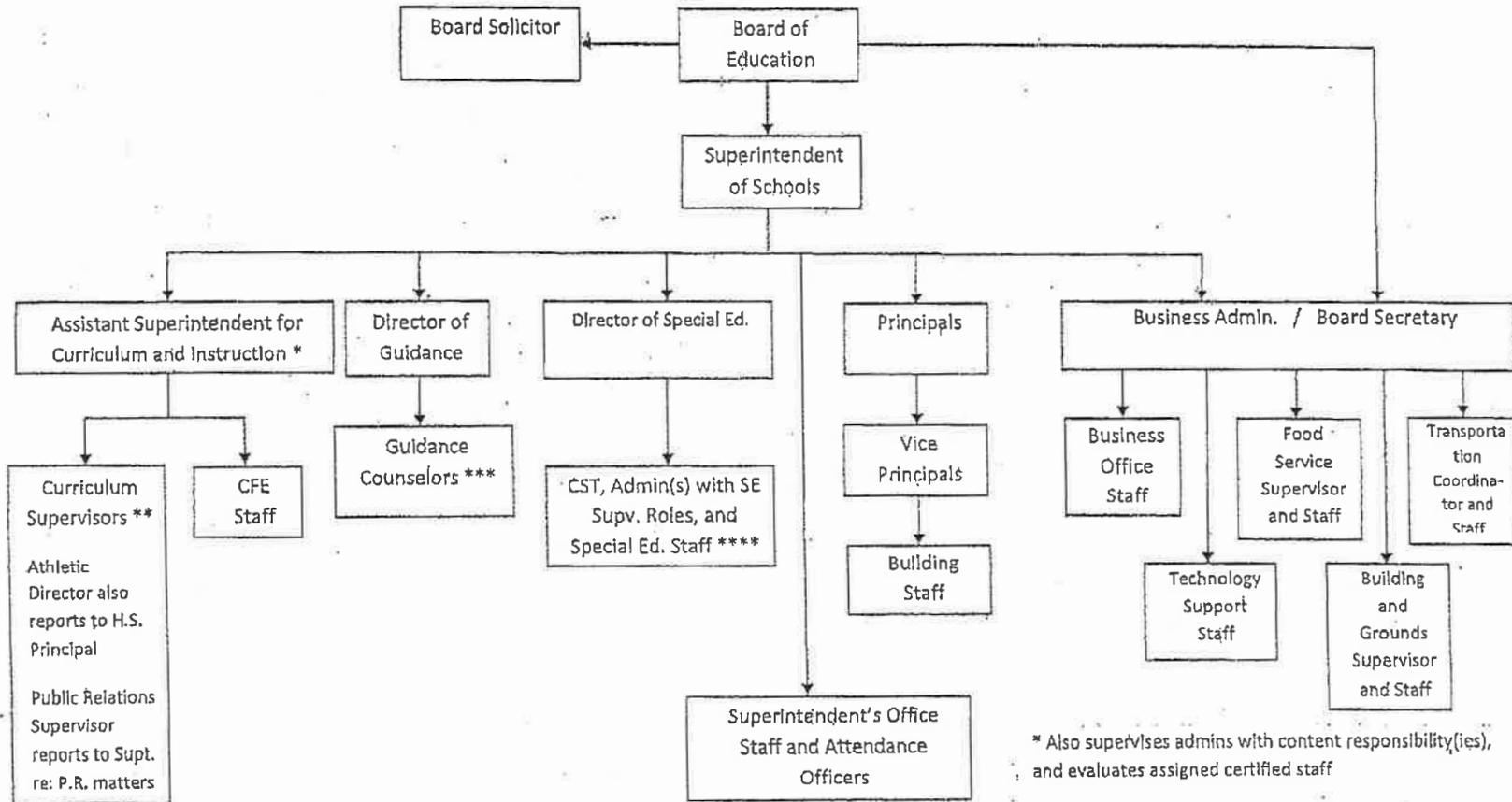
has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the ACT.

- 7) **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, student accident, and fidelity bonds.
- 8) **FISCAL AND OPERATIONAL EFFICIENCY:** The Burlington Township Board of Education is considered efficient in all areas reviewed by the Department of Education during the mid-year budget review. This efficiency was borne from need resulting from periods of large enrollment growth and stagnant state aid during the late 1990's and 2000's. This efficiency has required the district to utilize such strategies as outsourcing almost all operational department personnel including facilities, food service, technology and transportation and in recent years, the outsourcing of in-class non-instructional support. The 2% cap on property tax increases and the state's lack of adequate funding for the district as noted in the state's aid notification indicating a shortfall to the district based on the state's current formula of more than \$3 million will continue to be a challenge for the district.
- 9) **OTHER INFORMATION: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
- 10) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Burlington Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our central office staff. We greatly appreciate their fine work.

Sincerely,



Mary Ann Bell  
Interim Superintendent of Schools/ School Business Administrator



\* Also supervises admins with content responsibility(ies), and evaluates assigned certified staff

\*\* Also evaluates assigned certified staff.

\*\*\* Guidance Counselors also report to building principals.

\*\*\*\*Special Education teachers also report to building principals.

Revised First Reading May 2013

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**BOARD OF EDUCATION**  
**TOWNSHIP OF BURLINGTON**  
**BURLINGTON, NEW JERSEY**

ROSTER OF OFFICIALS  
JUNE 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires (January)</u>
Judy Hirt, President	2016
Sherry Knight, Vice President	2017
Donna Crenshaw	2016
Donna Custard	2017
Milton Dilligard	2018
Susan Eichmann	2017
Maryann McMahon-Nester	2018
Israel Rivera	2016
Balvir Singh	2018

**Other Officials**

Mrs. Mary Ann Bell, *Interim* Superintendent of Schools, School Business Administrator  
Ms. Ann Britt, Asst. Superintendent for Curriculum & Instruction  
Mrs. Robyn Hessberger, *Interim* Board Secretary, Assistant School Business Administrator

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Consultants and Advisers**

**Audit Firm**

Inverso & Stewart, LLC  
651 Route 73 North  
Suite 402  
Marlton, NJ 08053

**Attorney**

David Serlin  
Blason II, Suite 120  
505 South Lenola Road  
Moorestown, NJ 08057

**Special Education Counsel**

Parker McCay  
9000 Midlantic Dr #300,  
Mt Laurel, NJ 08054

**Bond Counsel**

McManimon & Scotland, LLC  
75 Livingston Avenue, 2<sup>nd</sup> Floor  
Roseland, NJ 07068

**Official Depositories**

Investors Bank  
Beneficial Bank  
NJ State Cash Management

**Financial Section**

**INVERSO & STEWART, LLC**  
Certified Public Accountants

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-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Burlington Township School District  
County of Burlington  
Burlington, New Jersey

***Report on the Financial Statements***

I 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### *Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Burlington Township School District, in the County of Burlington, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

As discussed in Note 9 to the financial statements, during the fiscal year ended June 30, 2015, the School District adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB): Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. My opinion is not modified with respect to this matter.

### *Other Matters*

#### *Required Supplementary Information*

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

#### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Burlington Township School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey OMB's Circular 04-04 and/or 15-08, as applicable, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated November 27, 2015 on my consideration of the Burlington Township School District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Burlington Township School District's internal control over financial reporting and compliance.

***INVERSO & STEWART, LLC***

Certified Public Accountants



Robert P. Inverso

Certified Public Accountant

Public School Accountant

Marlton, New Jersey  
November 27, 2015

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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 New Jersey Society of CPAs

**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**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Burlington Township School District  
 County of Burlington  
 Burlington, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated November 27, 2015.

***Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I considered the Burlington Township School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I do not express an opinion on the effectiveness of the Burlington Township School District's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Burlington Township School District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
November 27, 2015

**Required Supplementary Information - Part I**

**Management's Discussion and Analysis**

**Burlington Township School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2015**

As management of the Board of Education of Burlington Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$32,096,686 (*net position*).
- Governmental activities have deficit unrestricted net position of \$11,375,681. The accounting treatments in the governmental funds for compensated absences payable, and the June state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this balance.
- The total net position of the School District increased by \$2,076,423, or a 6.92% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the decrease in Debt.
- Fund balance of the School District's governmental funds decreased by \$3,378,461 resulting in an ending fund balance of \$5,478,695. This decrease is largely due to the results of operations in the General Fund.
- Business-type activities have unrestricted net position of \$191,016 which may be used to meet the School District's ongoing obligations of the food service operations and performing arts center.
- The School District's long-term obligations decreased by \$3,221,406 which is the result a reduction in serial bond debt and compensated absences.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-wide Financial Statements**

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund and the Performing Arts Center Fund.

### **Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's two enterprise funds (Food Service Fund and the Performing Arts Center Fund) are listed individually and are considered to be major funds.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

## **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

### **District-wide Financial Analysis**

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2015. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2015.

The assets of the primary government activities exceeded liabilities by \$31,557,898 with an unrestricted deficit balance of \$11,375,681. The net position of the primary government does not include internal balances.

A net investment of \$36,972,907 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 3,994 public school students, represents 117.16% of the School District's net position. Net position of \$3,004,047 has been restricted to provide resources for future capital expansion and renovation projects, \$946,000 for maintenance reserve, \$182,209 for repayment of debt, \$25,001 for year-end encumbrances and \$1,803,415 has been restricted for future budget appropriation.

As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

**Burlington Township School District  
Comparative Summary of Net Position  
As of June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
<b>Assets:</b>						
Current assets	\$ 6,113,206	\$ 8,930,364	\$ 197,530	\$ 595,056	\$ 6,310,736	\$ 9,525,420
Capital assets	<u>62,388,806</u>	<u>60,194,037</u>	<u>347,772</u>	<u>362,477</u>	<u>62,736,578</u>	<u>60,556,514</u>
<b>Total assets</b>	<u>68,502,012</u>	<u>69,124,401</u>	<u>545,302</u>	<u>957,533</u>	<u>69,047,314</u>	<u>70,081,934</u>
Deferred Outflow of Resources	<u>658,416</u>				<u>658,416</u>	
<b>Liabilities:</b>						
Current Liabilities	4,814,005	4,056,591	6,514	380,140	4,820,519	4,436,731
Noncurrent Liabilities	<u>31,816,473</u>	<u>26,557,005</u>			<u>31,816,473</u>	<u>26,557,005</u>
<b>Total liabilities</b>	<u>36,630,478</u>	<u>30,613,596</u>	<u>6,514</u>	<u>380,140</u>	<u>36,636,992</u>	<u>30,993,736</u>
Deferred Inflow of Resources	<u>972,052</u>				<u>972,052</u>	
<b>Net position</b>	<u>\$ 31,557,898</u>	<u>\$ 38,510,805</u>	<u>\$ 538,788</u>	<u>\$ 577,393</u>	<u>\$ 32,096,686</u>	<u>\$ 39,088,198</u>
Net position consists of:						
Net investment in						
Capital assets	\$ 36,972,907	\$ 31,090,573	\$ 347,772	\$ 362,477	\$ 37,320,679	31,453,050
Restricted net position	5,960,672	9,157,807			5,960,672	9,157,807
Unrestricted net position	<u>(11,375,681)</u>	<u>(1,737,575)</u>	<u>191,016</u>	<u>214,916</u>	<u>(11,184,665)</u>	<u>(1,522,659)</u>
<b>Net position</b>	<u>\$ 31,557,898</u>	<u>\$ 38,510,805</u>	<u>\$ 538,788</u>	<u>\$ 577,393</u>	<u>\$ 32,096,686</u>	<u>\$ 39,088,198</u>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$2,084,168 during the current fiscal year. Key elements of the increase net position for governmental activities are as follows:

- Repayment of bond principal \$3,485,000.

**Business-type Activities**

Business-type activities decreased the School District's net position by \$38,605. Key elements of the decrease in net position for business-type activities are as follows:

- The Food Service Fund had a net loss of \$34,057 and the Performing Arts Center had a net loss of \$4,548.

**Burlington Township School District**  
**Comparative Schedule of Changes in Net Position**  
**As of and for the Fiscal Year Ended June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for services	\$ 653,043	\$ -	\$ 1,060,162	\$ 1,196,060	\$ 1,713,205	\$ 1,196,060
Operating grants and Contributions	6,518,042	7,057,093	595,051	562,674	7,113,093	7,619,767
Capital grants and Contributions						
<b>General Revenues:</b>						
Property Taxes	41,572,474	40,996,941			41,572,474	40,996,941
Unrestricted State Aid	20,482,740	21,617,556			20,482,740	21,617,556
Other Revenues	670,101	1,213,199	742	354	670,843	1,213,553
<b>Total Revenues</b>	<b>69,896,400</b>	<b>70,884,789</b>	<b>1,655,955</b>	<b>1,759,088</b>	<b>71,552,355</b>	<b>72,643,877</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	27,681,110	26,982,086			27,681,110	26,982,086
Tuition	2,133,509	2,228,530			2,133,509	2,228,530
Related Services	8,006,836	7,795,640			8,006,836	7,795,640
Administrative Services	3,187,194	3,161,311			3,187,194	3,161,311
Central Services	1,560,610	908,835			1,560,610	908,835
Operations and Maintenance	6,770,069	6,632,987			6,770,069	6,632,987
Transportation	2,847,978	2,726,822			2,847,978	2,726,822
Employee Benefits	14,637,894	14,460,219			14,637,894	14,460,219
Charter School	9,035	37,196			9,035	37,196
Interest on long-term Debt	870,560	908,696			870,560	908,696
Other	76,577	214,399			76,577	214,399
<b>Business-Type Activities:</b>						
Food Service Operations			1,628,871	1,671,370	1,628,871	1,671,370
Performing Arts Center			65,689	52,367	65,689	52,367
<b>Total Expenses</b>	<b>67,781,372</b>	<b>66,056,721</b>	<b>1,694,560</b>	<b>1,723,737</b>	<b>69,475,932</b>	<b>67,780,458</b>
<b>Increase in net position</b>						
Before transfers	2,115,028	4,828,068	(38,605)	35,351	2,076,423	4,863,419
Transfers						
<b>Changes in net position</b>	<b>2,115,028</b>	<b>4,828,068</b>	<b>(38,605)</b>	<b>35,351</b>	<b>2,076,423</b>	<b>4,863,419</b>
Net position, July 1, as restated	29,442,870	33,682,737	577,393	542,042	30,020,263	34,224,779
<b>Net position, June 30,</b>	<b>\$ 31,557,898</b>	<b>\$ 38,510,805</b>	<b>\$ 538,788</b>	<b>\$ 577,393</b>	<b>\$ 32,096,686</b>	<b>\$ 39,088,198</b>

### **Financial Analysis of the Governmental Funds**

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$5,478,695, a decrease of \$3,378,461 in comparison with the prior year. The majority of the decrease is attributable to the results of operations in the general fund

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved deficit fund balance for the General Fund of \$481,977 and \$833,121 in the Capital Projects Fund. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$1,707,921, 2) \$946,000 for maintenance reserve, 3) \$1,985,624 appropriated as a revenue source in the subsequent year's budgets, and 3) \$488,006 reserved for encumbrances.

#### **General Fund Budgetary Highlights**

There was no difference between the original budget and the final amended budget.

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$1,249,662, while total fund balance (budgetary basis) was \$5,731,999. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$62,726,323. Unassigned fund balance (budgetary basis) represents 1.99% of expenditures while total fund balance (budgetary basis) represents 9.14% of that same amount.

#### **Capital Asset and Debt Administration**

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2015, totaled \$62,736,578 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total increase in the District's investment in capital assets for the current fiscal year was \$2,180,064, or a 3.60% increase. This increase is due to capital asset purchases.

**Capital Asset (net of accumulated depreciation)  
June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
Land	\$ 1,621,644	\$ 1,621,644			\$ 1,621,644	\$ 1,621,644
Construction in progress						
Site Improvements	209,857	153,816			209,857	153,816
Buildings and Building Improvements	57,586,263	55,517,908	\$ 338,647	\$ 338,647	57,924,910	55,856,555
Equipment	2,971,042	2,900,669	9,125	23,830	2,980,167	2,924,499
<b>Total</b>	<b>\$ 62,388,806</b>	<b>\$ 60,194,037</b>	<b>\$ 347,772</b>	<b>\$ 362,477</b>	<b>\$ 62,736,578</b>	<b>\$ 60,556,514</b>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

*Long-term debt* – During the fiscal year ended June 30, 2015, the School District had \$24,555,000 in serial bonds payable, and \$1,404,700 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$90,450,087. The available amount as of June 30, 2015 is \$65,895,087.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**Economic Factors and Next Year's Budgets and Rates**

The following factors were considered and incorporated into the preparation of the School District's budget for the 2015-16 fiscal year.

- For the 2015-16 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$760,665 or 2.00 % as salaries continue to increase contractually. The 2015-16 General Fund Budget is \$1,248,759 less than the previous year or a 2.05% decrease.
- The tax rate increased from \$1.881 in 2014 to \$1.920 in 2015, a 2.07% increase.

**For the Future**

The Burlington Township School District is in good financial condition presently. However, a major concern is the continued enrollment growth of the District with an increased reliance on local property taxes as state aid has remained stagnant.

In conclusion, the Burlington Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting and internal

financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

#### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Burlington Township School District Business Administrator, Box 428, Burlington, New Jersey, 08016.

**Basic Financial Statements**

District-Wide Financial Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2015**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 861,129	\$ 211,175	\$ 1,072,304
Receivables, net	4,570,902	251,761	4,822,663
Inventory		38,936	38,936
Internal balances	304,342	(304,342)	
Restricted assets:			
Restricted cash and cash equivalents	376,833		376,833
Capital assets, net (Note 5)	62,388,806	347,772	62,736,578
Total assets	<u>68,502,012</u>	<u>545,302</u>	<u>69,047,314</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	<u>658,416</u>		<u>658,416</u>
<b>LIABILITIES:</b>			
Accounts payable	608,968	6,514	615,482
Unearned revenue	24,524		24,524
Other liabilities	1,019		1,019
Accrued interest	451,929		451,929
Noncurrent liabilities:			
Due within one year	3,727,565		3,727,565
Due beyond one year	23,093,034		23,093,034
Net pension liability	8,723,439		8,723,439
Total liabilities	<u>36,630,478</u>	<u>6,514</u>	<u>36,636,992</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>972,052</u>		<u>972,052</u>
<b>NET POSITION:</b>			
Net investment in capital assets	36,972,907	347,772	37,320,679
Restricted for:			
Capital Projects	3,004,047		3,004,047
Other purposes	2,956,625		2,956,625
Unrestricted	<u>(11,375,681)</u>	<u>191,016</u>	<u>(11,184,665)</u>
Total position	<u>\$ 31,557,898</u>	<u>\$ 538,788</u>	<u>\$ 32,096,686</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>						
<b>Instruction:</b>						
Regular	\$ 19,079,235	\$	\$ 338,342	\$ (18,740,893)	\$	\$ (18,740,893)
Special education	6,556,937		881,336	(5,675,601)		(5,675,601)
Other instruction	2,044,938			(2,044,938)		(2,044,938)
<b>Support Services:</b>						
Tuition	2,133,509			(2,133,509)		(2,133,509)
Student & instruction related services	8,006,836		43,951	(7,962,885)		(7,962,885)
General administrative services	1,178,628			(1,178,628)		(1,178,628)
School administrative services	2,008,566			(2,008,566)		(2,008,566)
Central services	633,092			(633,092)		(633,092)
Admin Info Technology	927,518	653,043		(274,475)		(274,475)
Plant operations and maintenance	6,770,069		16,337	(6,753,732)		(6,753,732)
Pupil transportation	2,847,978			(2,847,978)		(2,847,978)
Employee benefits	14,637,894		4,264,998	(10,372,896)		(10,372,896)
Charter schools	9,035			(9,035)		(9,035)
Interest on long-term debt	870,560		973,078	102,518		102,518
Unallocated depreciation and amortization	76,577			(76,577)		(76,577)
Total governmental activities	<u>67,781,372</u>	<u>653,043</u>	<u>6,518,042</u>	<u>(60,610,287)</u>		<u>(60,610,287)</u>
<b>Business-type activities:</b>						
Performing Arts Center	65,689	60,835			(4,854)	(4,854)
Food service	1,628,871	999,327	595,051		(34,493)	(34,493)
Total business-type activities	<u>1,694,560</u>	<u>1,060,162</u>	<u>595,051</u>		<u>(39,347)</u>	<u>(39,347)</u>
<b>Total primary government</b>	<u>\$ 69,475,932</u>	<u>\$ 1,713,205</u>	<u>\$ 7,113,093</u>	<u>\$ (60,610,287)</u>	<u>\$ (39,347)</u>	<u>\$ (60,649,634)</u>
<b>General revenues:</b>						
<b>Taxes:</b>						
Property taxes, levied for general purposes, net				38,033,254		38,033,254
Taxes levied for debt service				3,539,220		3,539,220
Federal and State aid not restricted				20,482,740		20,482,740
Investment earnings				890	742	1,632
Miscellaneous income				669,211		669,211
Total general revenues, special items, extraordinary items and transfers				<u>62,725,315</u>	<u>742</u>	<u>62,726,057</u>
Change in Net Position				<u>2,115,028</u>	<u>(38,605)</u>	<u>2,076,423</u>
Net Position - July 1, as restated (Note 20)				29,442,870	577,393	30,020,263
Net Position - June 30				<u>\$ 31,557,898</u>	<u>\$ 538,788</u>	<u>\$ 32,096,686</u>

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

Fund Financial Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 861,129	\$ -	\$ -	\$ -	\$ 861,129
Receivables, net	1,111,112	451,156	3,024,081		4,586,349
Interfund receivables, net	4,019,991		1,384,306	228,036	5,632,333
Restricted cash and cash equivalents	376,833				376,833
<b>Total assets</b>	<b>\$ 6,369,065</b>	<b>\$ 451,156</b>	<b>\$ 4,408,387</b>	<b>\$ 228,036</b>	<b>\$ 11,456,644</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	608,968				608,968
Intergovernmental Accounts Payable		1,019			1,019
Interfund payables	1,737,612	447,738	3,112,261	45,827	5,343,438
Unearned revenues	22,125	2,399			24,524
<b>Total liabilities</b>	<b>2,368,705</b>	<b>451,156</b>	<b>3,112,261</b>	<b>45,827</b>	<b>5,977,949</b>
<b>Fund Balances:</b>					
<b>Restricted Fund Balance:</b>					
Maintenance reserve	946,000				946,000
Capital reserve	1,707,921				1,707,921
<b>Assigned Fund Balance:</b>					
Year-end encumbrances	25,001		463,005		488,006
ARRA/SEMI - Designated for subsequent year's expenditures	21,368				21,368
Designated for subsequent year's expenditures	1,782,047			182,209	1,964,256
Unassigned fund balance	(481,977)		833,121		351,144
<b>Total fund balances</b>	<b>4,000,360</b>		<b>1,296,126</b>	<b>182,209</b>	<b>5,478,695</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,369,065</b>	<b>\$ 451,156</b>	<b>\$ 4,408,387</b>	<b>\$ 228,036</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$95,507,020 and the accumulated depreciation is \$33,118,214. 62,388,806

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (451,929)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	658,416	
Net Pension Liability	(8,723,439)	
Deferred Inflows of resources from Pensions	(972,052)	(9,037,075)

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:

Bonds Payable	(25,415,899)
Compensated Absences	(1,404,700)

Net position of governmental activities \$ 31,557,898

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**for the Fiscal Year Ended June 30, 2015**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 38,033,254	\$ -	\$ -	\$ 3,539,220	\$ 41,572,474
Tuition charges	338,678				338,678
Transportation fees	56,438				56,438
Interest earned	890				890
Miscellaneous	274,095				274,095
<b>Total revenues-local sources</b>	<b>38,703,355</b>			<b>3,539,220</b>	<b>42,242,575</b>
Local sources		19,245			19,245
State sources	24,650,865	10,838		973,078	25,634,781
Federal sources	96,873	1,249,883			1,346,756
<b>Total revenues</b>	<b>63,451,093</b>	<b>1,279,966</b>		<b>4,512,298</b>	<b>69,243,357</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	16,552,308	338,342			16,890,650
Special education instruction	5,675,601	881,336			6,556,937
Other instruction	2,044,938				2,044,938
Support services and undistributed costs:					
Tuition	2,133,509				2,133,509
Student & instruction related services	7,962,885	43,951			8,006,836
General administrative services	932,567				932,567
School administrative services	2,008,566				2,008,566
Central services	633,092				633,092
Admin Info Technology	274,475				274,475
Plant operations and maintenance	5,650,857				5,650,857
Pupil transportation	2,847,978				2,847,978
Employee benefits	14,668,754				14,668,754
Charter Schools	9,035				9,035
Capital outlay	1,331,758	16,337	4,057,404		5,405,499
Debt service:					
Principal				3,485,000	3,485,000
Interest and other charges				1,073,125	1,073,125
<b>Total expenditures</b>	<b>62,726,323</b>	<b>1,279,966</b>	<b>4,057,404</b>	<b>4,558,125</b>	<b>72,621,818</b>
Excess (deficiency) of revenues over (under) expenditures	724,770		(4,057,404)	(45,827)	(3,378,461)
Other Financing Sources (Uses):					
Transfers in			970,500		970,500
Transfers out	(970,500)				(970,500)
Proceeds of refunding bonds					
Payment to refunding bond escrow agent					
<b>Total other financing sources (uses)</b>	<b>(970,500)</b>		<b>970,500</b>		
Net change in fund balance	(245,730)		(3,086,904)	(45,827)	(3,378,461)
Fund balances, July 1	4,246,090		4,383,030	228,036	8,857,156
Fund balances, June 30	\$ 4,000,360	\$ -	\$ 1,296,126	\$ 182,209	\$ 5,478,695

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**for the Fiscal Year Ended June 30, 2015**

Total net change in fund balances - governmental funds (from B-2)		\$ (3,378,461)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p style="margin-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (2,460,609)	
Capital outlay	<u>4,655,378</u>	2,194,769
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		3,485,000
The proceeds of a bond issue is an other financing source of revenue in the governmental funds but is not reported in the statement of activities.		202,565
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		46,454
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		30,860
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>(466,159)</u>
Change in net position of governmental activities		<u>\$ 2,115,028</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	<b>Business-type Activities</b>			<b>Governmental</b>
	<b>Food Service</b>	<b>Performing Arts</b>	<b>Total</b>	<b>Activities -</b>
	<b>Program</b>	<b>Center</b>	<b>Enterprise</b>	<b>Internal Service</b>
				<b>Technology</b>
				<b>Services</b>
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 94,801	\$ 116,374	\$ 211,175	\$ -
Accounts receivable	241,026	10,735	251,761	38,988
Interfund receivable	64,497	3,130	67,627	
Inventories	38,936		38,936	
Total current assets	439,260	130,239	569,499	38,988
Noncurrent assets:				
Building and Building Improvements	376,275		376,275	
Equipment	456,400		456,400	
Less accumulated depreciation	(832,675)		(832,675)	
Total noncurrent assets	347,772		347,772	
Total assets	\$ 787,032	\$ 130,239	\$ 917,271	\$ 38,988
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 6,267	\$ 247	\$ 6,514	\$ -
Interfund payable	371,969		371,969	38,988
Total liabilities	378,236	247	378,483	38,988
<b>NET POSITION</b>				
Net Investment in Capital Assets	347,772		347,772	
Unrestricted	61,024	129,992	191,016	
Total net position	\$ 408,796	\$ 129,992	\$ 538,788	\$ -

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2015**

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service
	Food Service Program	Performing Arts Center	Total Enterprise	Technology Services
<b>Operating revenues:</b>				
Charges for services:				
Daily sales-reimbursable programs	\$ 540,900	\$ -	\$ 540,900	\$ -
Daily sales-non-reimbursable programs	260,417		260,417	
Special functions	198,010		198,010	
Charges for technology services				653,043
Rentals		60,835	60,835	
Total operating revenue	<u>999,327</u>	<u>60,835</u>	<u>1,060,162</u>	<u>653,043</u>
<b>Operating expenses:</b>				
Salaries and benefits	781,920	28,074	809,994	
Direct expenses	12,479		12,479	
Repair and maintenance	19,083		19,083	
Supplies and materials	46,338	19,828	66,166	
Depreciation	14,705		14,705	
Management fee	26,001		26,001	
Cost of sales	722,971		722,971	
Other costs	5,374	17,787	23,161	653,043
Total operating expenses	<u>1,628,871</u>	<u>65,689</u>	<u>1,694,560</u>	<u>653,043</u>
Operating income (loss)	<u>(629,544)</u>	<u>(4,854)</u>	<u>(634,398)</u>	
<b>Nonoperating revenues (expenses):</b>				
State sources:				
State school lunch program	14,889		14,889	
Federal sources:				
National school lunch program	424,699		424,699	
National school breakfast program	74,896		74,896	
U.S.D.A. commodities	80,567		80,567	
Local sources:				
Interest revenue	436	306	742	
Total nonoperating revenues (expenses)	<u>595,487</u>	<u>306</u>	<u>595,793</u>	
Change in net position	(34,057)	(4,548)	(38,605)	
Total net position - July 1	<u>442,853</u>	<u>134,540</u>	<u>577,393</u>	
Total net position - June 30	<u>\$ 408,796</u>	<u>\$ 129,992</u>	<u>\$ 538,788</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2015**

	<b>Business-type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities -</b>
	<u>Food Service</u>	<u>Performing Arts</u>	<u>Total</u>	<u>Internal Service</u>
	<u>Program</u>	<u>Center</u>	<u>Enterprise</u>	<u>Technology</u>
				<u>Services</u>
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 993,761	\$ 58,455	\$ 1,052,216	\$ 653,043
Payments to employees	(783,824)	(28,074)	(811,898)	
Payments to suppliers	(748,920)	(37,368)	(786,288)	(653,043)
Net cash used for operating activities	<u>(538,983)</u>	<u>(6,987)</u>	<u>(545,970)</u>	
<b>Cash flows from noncapital financing activities:</b>				
State sources	14,974		14,974	
Federal sources	503,816		503,816	
Net cash provided by non-capital financing activities	<u>518,790</u>		<u>518,790</u>	
<b>Cash flows from capital activities:</b>				
Purchases of fixed assets				
<b>Cash flows from investing activities:</b>				
Interest and dividends	436	306	742	
Net cash provided by investing activities	<u>436</u>	<u>306</u>	<u>742</u>	
Net increase in cash and cash equivalents	(19,757)	(6,681)	(26,438)	
Balances - July 1	<u>114,558</u>	<u>123,055</u>	<u>237,613</u>	
Balances - June 30	<u>\$ 94,801</u>	<u>\$ 116,374</u>	<u>\$ 211,175</u>	<u>\$ -</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (629,544)	\$ (4,854)	\$ (634,398)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	14,705			
Federal commodities	80,567		80,567	
(Increase) decrease in inventories	2,758	(2,380)	378	
(Increase) decrease in accounts receivable	(5,565)		(5,565)	(38,988)
(Increase) decrease in interfund receivable				
Increase (decrease) in accounts payable	(1,904)	247	(1,657)	
Increase (decrease) in interfund payable				38,988
Total adjustments	<u>90,561</u>	<u>(2,133)</u>	<u>73,723</u>	
Net cash provided by (used for) operating activities	<u>\$ (538,983)</u>	<u>\$ (6,987)</u>	<u>\$ (560,675)</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<u>Unemployment Compensation Insurance Trust</u>	<u>Agency Funds</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 609,163	\$ 773,011
Accounts receivable		
Interfund receivable		57,644
Total assets	<u>\$ 609,163</u>	<u>\$ 830,655</u>
 <b>LIABILITIES:</b>		
Cash Overdraft		14,635
Payroll deductions and withholdings		275,814
Reserve for summer payroll		
Due to education association		
Accounts payable	2,581	
Other liabilities		43,009
Interfund payable		3,209
Due to student groups		493,988
Total liabilities	<u>2,581</u>	<u>\$ 830,655</u>
 <b>NET POSITION:</b>		
Held in trust for unemployment claims and other purposes	<u>\$ 606,582</u>	

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2015**

	Unemployment Compensation Insurance Fund
ADDITIONS:	
Contributions:	
Employee contributions	\$ 46,759
Employer contributions	45,820
Total Contributions	92,579
Investment earnings:	
Interest	1,522
Net investment earnings	1,522
Total additions	94,101
DEDUCTIONS:	
Unemployment claims	39,673
Flexible account payments	
Total deductions	39,673
Change in net position	54,428
Net position - July 1	552,154
Net position - June 30	\$ 606,582

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Township of Burlington School District (School District) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The Burlington School District has an approximate enrollment at June 30, 2015 of 3,994 students.

The primary criteria for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control.

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

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

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

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

**Special Revenue Fund** - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

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

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Enterprise Funds (Continued)**

The School District's enterprise funds are:

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

**Performing Arts Center Fund** – This fund accounts for the financial transactions related to the performing arts center operations of the School District.

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

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

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

**Internal Service Fund** – The internal service fund has been established to account for the financing of technology services provided by the Burlington Township School District for use by other school districts, as well as for the Burlington Township School District itself. Services are provided on a cost-reimbursement basis.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a flexible spending account, a student activity fund, and a payroll fund.

**Measurement Focus**

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

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

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

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

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

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

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

**Encumbrances** - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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

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

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2015 and 2014 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed, and is not recorded since any amounts are considered immaterial to the basic financial statements.

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

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

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

**Short-Term Interfund Receivables / Payables** - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Bond Discount and Bond Premium** – Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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

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

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

**Unearned Revenue** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

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

**Net Position** - Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

**Net investment in capital assets** - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

**Restricted** – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Unrestricted** – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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

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

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2015.

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

**Committed** – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

**Assigned** – This fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

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

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

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

**Interfunds** – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Recently Issued Accounting Pronouncements** – In February 2015, the GASB issued Statement 72, Fair Value Measurement and Application. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. This Statement is effective for financial statements for periods beginning after June 15, 2015. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In June 2015, the GASB issued Statement 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities. This Statement is effective for financial statements for periods beginning after June 15, 2016. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In June 2015, the GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are *not* administered through trusts that meet the specified criteria. This Statement is effective for financial statements for periods beginning after June 15, 2016. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In June, 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for financial statements for periods beginning after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Recently Issued Accounting Pronouncements (Continued)** - In June 2016, the GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$4,795,589 as of June 30, 2015, \$258,249 was insured under FDIC and the remaining balance of \$4,537,340 was collateralized under GUDPA.

During the fiscal year, the School district participated in the New Jersey Cash Management Fund. This Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial risk. Accordingly, the School District's deposits with the New Jersey Cash Management Fund of \$102,724 were uninsured and uncollateralized.

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**3. CAPITAL RESERVE ACCOUNT (Continued)**

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Balance – July 1, 2014		\$ 1,300,156
Increased by:		
Interest earned	890	
Unspent balance	5,375	
Board resolution	<u>1,372,000</u>	<u>1,378,265</u>
		2,678,421
Decreased by:		
Transfer to Capital Projects Fund	970,500	
Transfer to General Fund Budget	<u>                    </u>	<u>970,500</u>
 Balance – June 30, 2015		 <u>\$ 1,707,921</u>

The June 30, 2015 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted capital projects.

**4. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2015 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2015 for the School District’s individual major and fiduciary funds, in the aggregate, are as follows:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Proprietary Funds</b>	<b>Internal Service Fund</b>	<b>Total</b>
State Aid	\$ 676,948	\$ -	\$ 3,024,081	\$ 2,605	\$ -	\$ 3,703,634
Federal Aid		451,156		90,679		541,835
Other	<u>434,164</u>	<u>                    </u>	<u>                    </u>	<u>158,477</u>	<u>38,988</u>	<u>631,629</u>
	<u>\$ 1,111,112</u>	<u>\$ 451,156</u>	<u>\$ 3,024,081</u>	<u>\$ 251,761</u>	<u>\$ 38,988</u>	<u>\$ 4,877,098</u>

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2015</u>
<b>Governmental Activities:</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644
Construction in progress	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total capital assets, not being Depreciated	<u>1,621,644</u>	<u>                    </u>	<u>                    </u>	<u>1,621,644</u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	911,720	78,694		990,414
Building and Building Improvements	80,747,968	3,715,062		84,463,030
Equipment	7,570,310	861,622		8,431,932
Totals at historical cost	<u>89,229,998</u>	<u>4,655,378</u>	<u>                    </u>	<u>93,885,376</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(757,904)	(22,653)		(780,557)
Building and Building Improvements	(25,230,060)	(1,646,707)		(26,876,767)
Equipment	(4,669,641)	(791,24)		(5,460,890)
Totals accumulated depreciation	<u>(30,657,605)</u>	<u>(2,460,609)</u>	<u>                    </u>	<u>(33,118,214)</u>
Total Capital Assets, being depreciated, net	<u>58,572,393</u>	<u>2,194,769</u>	<u>                    </u>	<u>60,767,162</u>
Governmental Activities Capital Assets, Net	<u>\$ 60,194,037</u>	<u>\$ 2,194,769</u>	<u>\$ -</u>	<u>\$ 62,388,806</u>
	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2015</u>
<b><u>Business-Type Activities:</u></b>				
<i>Capital Assets, being depreciated:</i>				
Building and Building Improvements	\$ 376,275	\$ -	\$ -	\$ 376,275
Equipment	456,400			456,400
Less accumulated depreciation	<u>(470,198)</u>	<u>(14,705)</u>	<u>                    </u>	<u>(484,903)</u>
Total Capital Assets, being depreciated, net	<u>362,477</u>	<u>(14,705)</u>	<u>                    </u>	<u>347,772</u>
Business-Type Activities Capital Assets, Net	<u>\$ 362,477</u>	<u>\$ (14,705)</u>	<u>\$ -</u>	<u>\$ 347,772</u>

Depreciation expense in the amount of \$2,460,609 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 1,722,426
Administration	246,061
Plant Operations and Maintenance	369,091
Unallocated	<u>123,031</u>
Total depreciation expense	<u>\$ 2,460,609</u>

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2015 consisted of the following:

Food	\$ 27,201
Supplies	<u>11,735</u>
	<u>\$ 38,936</u>

**7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2015, the following changes occurred in long-term obligations:

	<u>Balance June 30, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>
Bonds Payable	\$ 28,040,000	\$ -	\$ 3,485,000	\$ 24,555,000	\$ 3,525,000
Unamortized Premiums	1,063,464		202,565	860,899	202,565
Total Bonds Payable	<u>29,103,464</u>		<u>3,687,565</u>	<u>25,415,899</u>	<u>3,727,565</u>
Compensated Absences Payable	938,541	466,159		1,404,700	
Capital Lease Payable					
Total Long-Term Obligations	<u>\$ 30,042,005</u>	<u>\$ 466,159</u>	<u>\$ 3,687,565</u>	<u>\$ 26,820,599</u>	<u>\$ 3,727,565</u>

**Bonds Payable** - Bonds and loans are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are as follows:

Refunding Bonds - Authorized and issued, \$13,625,000, dated April 1, 2012, for refunding a portion of the 2004 bonds issued for the acquisition of land, construction of a new elementary school, expansion of Fountain Woods Elementary School and High School. The final maturity is due July 15, 2024 with interest rates varying from 3.50% to 5.00%

Refunding Bonds - Authorized and issued, \$10,930,000, dated October 3, 2013, for refunding the Refunding School Bonds of the district dated September 1, 2004. The final maturity is due January 15, 2020 with interest rates varying from 1.50% to 5.00%

**Debt Service Requirements**

Principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 3,525,000	\$ 986,025	\$ 4,511,025
2017	3,595,000	879,050	4,474,050
2018	3,665,000	746,650	4,411,650
2019	3,495,000	592,900	4,087,900
2020	2,885,000	439,200	3,324,200
2021-2025	<u>7,390,000</u>	<u>911,700</u>	<u>8,301,700</u>
	<u>\$ 24,555,000</u>	<u>\$ 4,555,525</u>	<u>\$ 29,110,525</u>

As of June 30, 2015 the District had no authorized but not issued bonds.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**7. LONG-TERM OBLIGATIONS (Continued)**

**Refunding -**

On October 3, 2013 the School District issued \$13,325,000 in general obligation refunding bonds with a variable interest rate of 1.50% to 5.00% to advance refund \$14,080,000 of outstanding callable 2004 refunding bonds with a variable interest rate of 3.75% to 5.00%. The net proceeds of \$14,403,644 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004 refunding bonds.

The School District advanced refunded the 2004 refunding bonds to reduce its total debt service payments over the next six years by \$1,263,234 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$1,205,983.

**Compensated Absences**

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

**8. OPERATING LEASES**

The District has various commitments for office equipment under operating leases which fully expire in 2018. Total operating lease payments made during the year ended June 30, 2015 and 2014 were \$75,261 and \$91,297, respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2016	\$ 86,250
June 30, 2017	80,317
June 30, 2018	69,006
June 30, 2019	<u>57,694</u>
Total future minimum lease payments	<u>\$ 293,267</u>

**9. PENSION PLANS**

**Description of Plans** – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

**Teachers' Pension and Annuity Fund (TPAF)**

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

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

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the year ended June 30, 2015, the District recognized pension expense of \$7,099,095 and revenue of \$7,099,095 for support provided by the State. Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	06/30/14	06/30/13
Collective deferred outflows of resources	\$ 2,306,623,861	\$ -
Collective deferred inflows of resources	1,763,205,593	-
Collective net pension liability (Non-Employer – State of New Jersey)	53,446,745,367	50,539,213,484
State's portion of the net pension liability that was associated with the district	131,930,422	120,924,706
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	.2468446315%	.2392690707%

*Actuarial assumptions* – The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation: 2.5%
- Salary Increases: Varies based on experience
- Investment Rate of Return: 7.90%

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	06.00%	0.50%
Core Fixed Income	00.00%	2.19%
Core Bonds	01.00%	1.38%
Short-Term Bonds	00.00%	1.00%
Intermediate Term Bonds	11.20%	2.60%
Long-Term Bonds	00.00%	3.23%
Mortgages	02.50%	2.84%
High Yield Bonds	05.50%	4.15%
Non US Fixed Income	00.00%	1.41%
Inflation Indexed Bonds	02.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	00.00%	5.62%
Mid Cap US Equities	00.00%	6.39%
Small Cap US Equities	00.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	06.50%	8.90%
Private Equity	08.25%	9.15%
Hedge Funds/Absolute Ret	12.25%	3.85%
Real Estate (Property)	03.20%	4.43%
Real Estate (REITS)	00.00%	5.58%
Commodities	02.50%	3.60%
Long Credit Bonds	00.00%	3.74%

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* Since the District has no proportionate share of the net pension liability, because of the special funding situation, the district would not be sensitive to any changes in the discount rate.

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Public Employees' Retirement System (PERS)**

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

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

The School District's contributions to the PERS, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability</u>	<u>Retro-Active</u>	<u>Paid by School District</u>
2015	\$ 63,945	\$ 295,794	\$ 24,365	\$ 384,104	\$ 737	\$ 384,841
2014	67,811	298,136	6,224	372,171		372,171
2013	108,542	259,527	21,906	389,975		389,975

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Public Employees Retirement System (PERS)**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the year ended June 30, 2015, the District recognized pension expense of \$365,372. At June 30, 2015, the District reported a liability of \$8,723,439 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	274,312	
Net difference between projected and actual earnings on pension plan investments		519,870
Changes in proportion and differences between District contributions and proportionate share of contributions		452,182
District contributions subsequent to the measurement Date	384,104	
Total	\$ 658,416	\$ 972,052

\$384,104 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Inflow of Resources:
2016	\$ 139,548
2017	139,548
2018	139,548
2019	139,548
2020	139,548
Total	\$ 697,740

**Additional Information**

Collective balances at June 30, 2014 and 2013 are as follows :

	6/30/2014	6/30/2013
Collective deferred outflows of resources	\$ 952,194,675	\$ (1)
Collective deferred inflows of resources	\$ 1,479,224,662	\$ (1)
Collective net pension liability	\$ 18,722,735,003	\$ 19,111,986,911
District's Proportion	.0465927608%	.0493936415%

(1) – Information not available.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

*Actuarial assumptions* – The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 3.01%  
Salary Increases:  
    2012-2021: 2.15-4.40% based on age  
    Thereafter: 3.15-5.40% based on age  
Investment Rate of Return: 7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

*Long-Term Expected Rate of Return.* - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	06.00%	00.80%
Core Bonds	01.00%	02.49%
Intermediate Term Bonds	11.20%	02.26%
Mortgages	02.50%	02.17%
High Yield Bonds	05.50%	04.82%
Inflation Indexed Bonds	02.50%	03.51%
Broad US Equities	25.90%	08.22%
Developed Foreign Equities	12.70%	08.12%
Emerging Market Equities	06.50%	09.91%
Private Equity	08.25%	13.02%
Hedge Funds/Absolute Ret	12.25%	04.92%
Real Estate (Property)	03.20%	05.80%
Commodities	02.50%	05.35%

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability measured as of June 30, 2014, calculated using the discount rate of 5/39%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.39%) or 1 percentage point higher (6.39%) than the current rate:

	<b>1% Decrease (4.39%)</b>	<b>Current Discount Rate (5.39%)</b>	<b>1% Increase (6.39%)</b>
District's proportionate share of the net pension liability	\$ 10,974,383	\$ 8,723,439	\$ 6,833,219

*Pension Plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Defined Contribution Retirement Program (DCRP)**

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2015	\$ 17,353	\$ 17,353
2014	12,570	12,570
2013	17,544	17,544

**10. POST-RETIREMENT BENEFITS**

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**10. POST-RETIREMENT BENEFITS (Continued)**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of 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, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2015 was \$2,103,971 which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2015, the School District has recognized as revenues and expenditures \$1,325,336 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,835,691 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**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; employee health and accident claims; and natural disasters. The District has chosen to purchase insurance to transfer the risk to outside parties.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for all risks of loss, including property, liability, employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Business 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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**12. RISK MANAGEMENT (Continued)**

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 prior four years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 46,758	\$ 45,820	\$ 1,522	\$ 39,672	\$ 606,582
2013-2014	64,595	195,673	516	207,169	552,154
2012-2013	49,059	426,087	163	90,169	498,539
2011-2012	47,072	177,936	536	156,785	113,399
2010-2011	29,651	340,401	437	343,069	44,640

**13. DEFERRED COMPENSATION**

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**14. COMPENSATED ABSENCES**

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

School District employees are granted vacation and sick leave in varying amounts in accordance with the School District's personnel policies. Unused sick leave may be accumulated carried forward to the subsequent years. Employees who retire from the School District shall be paid for unused sick leave in accordance with the School District's agreement or personnel policy.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2015, the liability for compensated absences in the governmental fund was \$1,404,700.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**15. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2015. The following interfund balances were recorded on the various balance sheets as of June 30, 2015:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 4,019,991	\$ 1,737,612
Special Revenue		447,738
Capital Projects	1,384,306	3,112,261
Debt Service	228,036	45,827
Proprietary	67,627	371,969
Internal Service		38,988
Fiduciary	<u>57,644</u>	<u>3,209</u>
	<u>\$ 5,757,604</u>	<u>\$ 5,757,604</u>

**16. CONTINGENCIES**

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2015, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$481,977 in the General Fund as of June 30, 2015 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$481,977 is equal to or less than the June state aid payments.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**18. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2015, a deficit of \$11,375,681 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2014	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (481,977)
Liabilities:	
Accrued interest Payable	(451,929)
Net pension differences	(9,037,075)
Compensated Absences	<u>(1,404,700)</u>
Unrestricted Net Position (Deficit)	<u>\$ (11,375,681)</u>

**19. FUND BALANCES**

*RESTRICTED*

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

**General Fund:**

**Capital Reserve** – As of June 30, 2015, the balance in the capital reserve account is \$1,707,921, all of which is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2015, the balance in the maintenance reserve account is \$946,000. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

*ASSIGNED*

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

**General Fund:**

**Designated for Subsequent Year’s Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2016, \$1,782,047 of general fund balance at June 30, 2015.

**ARRA/SEMI - Designated for Subsequent Year’s Expenditures** – The School District has \$21,368 of general fund balance at June 30, 2015, which is ARRA/SEMI Revenue designated for use in subsequent years’ budget.

**Other Purposes** – At June 30, 2015 the School District has \$25,001 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015**

**19. FUND BALANCES (Continued)**

**Capital Projects Fund:**

**Other Purposes** – At June 30, 2015 the School District has \$463,005 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Debt Service Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2016, \$182,209 of debt service fund balance at June 30, 2015.

*UNASSIGNED*

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

**General Fund** – As of June 30, 2015, a deficit balance of \$481,977 was unassigned.

**Capital Projects Fund** – As of June 30, 2015, \$833,121 was unassigned.

**20. RESTATEMENT OF BEGINNING BALANCES**

Net position on the government-wide Statement of Activities as of July 1, 2014, has been restated for implementation of GASB-68.

The government-wide and fund financial statements were restated as follows:

	<b>Government -wide Statements</b>
	<b>Governmental Activities</b>
Net Position as of June 30, 2014, as previously reported	\$ 38,510,805
Prior Period Adjustment - Implementation GASB 68:	
Net Pension Liability	(9,440,106)
Deferred Outflows - District's Contribution made during fiscal year 2014	372,171
Net Position as Restated, July 1, 2014	\$ 29,442,870

Required Supplementary Information - Part II

**Budgetary Comparison Schedules**

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 38,033,254	\$ -	\$ 38,033,254	\$ 38,033,254	\$ -
Tuition - other LEAS	39,000		39,000	320,896	281,896
Tuition - from individuals				17,782	17,782
Transportation fees	15,000		15,000	56,438	41,438
Capital reserve interest	1,900		1,900	890	(1,010)
Unrestricted miscellaneous revenue	522,067		522,067	274,095	(247,972)
<b>Total local sources</b>	<b>38,611,221</b>		<b>38,611,221</b>	<b>38,703,355</b>	<b>92,134</b>
State sources:					
Categorical special education aid	2,283,101		2,283,101	2,283,101	
Equalization aid	14,972,792		14,972,792	14,972,792	
Categorical security aid	423,257		423,257	423,257	
Categorical transportation aid	707,284		707,284	707,284	
Under adequacy aid	34,377		34,377	34,377	
PARCC Readiness Aid	40,040		40,040	40,040	
Per Pupil Growth Aid	40,040		40,040	40,040	
Homeless tuition				323,121	323,121
Additional non-public transportation aid				32,163	32,163
Extraordinary aid	490,000		490,000	554,290	64,290
Extraordinary aid - additional prior year				6,058	6,058
On-behalf TPAF Pension (non-budgeted)				1,325,336	1,325,336
On-behalf TPAF post retirement (non-budgeted)				2,103,971	2,103,971
Reimbursed TPAF social security contributions (non-budgeted)				1,835,691	1,835,691
<b>Total state sources</b>	<b>18,990,891</b>		<b>18,990,891</b>	<b>24,681,521</b>	<b>5,690,630</b>
Federal sources:					
Medicaid Reimbursement				21,368	21,368
Medicaid Reimbursement - ARRA/SEMI	39,568		39,568	75,505	35,937
<b>Total federal sources</b>	<b>39,568</b>		<b>39,568</b>	<b>96,873</b>	<b>57,305</b>
<b>TOTAL REVENUES</b>	<b>57,641,680</b>		<b>57,641,680</b>	<b>63,481,749</b>	<b>5,840,069</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	80,759		80,759	80,759	
Kindergarten	669,515	34,614	704,129	663,804	40,325
Grades 1-5	5,216,717	(157,887)	5,058,830	5,056,561	2,269
Grades 6-8	4,227,730	(25,910)	4,201,820	4,195,219	6,601
Grades 9-12	5,801,157	(122,690)	5,678,467	5,631,399	47,068
<b>Total Instruction</b>	<b>15,995,878</b>	<b>(271,873)</b>	<b>15,724,005</b>	<b>15,627,742</b>	<b>96,263</b>
Regular Programs - Home Instruction:					
Salaries of teachers	187,553	14,300	201,853	201,764	89
Purchased Prof. - Ed. Services	24,000	(13,800)	10,200	10,187	13
<b>Total Home Instruction</b>	<b>211,553</b>	<b>500</b>	<b>212,053</b>	<b>211,951</b>	<b>102</b>
Regular Programs - Undistributed Instruction :					
Purchased Prof. - Ed. Services	325		325		325
Other purchased services	245,128	(86,950)	158,178	130,419	27,759
General supplies	538,064	(124,209)	413,855	360,981	52,874
Textbooks	75,212	174,000	249,212	221,215	27,997
<b>Total Undistributed Instruction</b>	<b>858,729</b>	<b>(37,159)</b>	<b>821,570</b>	<b>712,615</b>	<b>108,955</b>
<b>Total - Regular Programs - Instruction</b>	<b>17,066,160</b>	<b>(308,532)</b>	<b>16,757,628</b>	<b>16,552,308</b>	<b>205,320</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Learning and/or Language Disabilities					
Salaries of teachers	\$ 188,408	\$ 800	\$ 189,208	\$ 189,140	\$ 68
Other salaries for instruction	44,644	300	44,944	44,918	26
Purchased professional - educ services	21,252	5,101	26,353	21,433	4,920
General supplies	7,000	6,000	13,000	12,513	487
Total Learning and/or Language Disabilities	<u>261,304</u>	<u>12,201</u>	<u>273,505</u>	<u>268,004</u>	<u>5,501</u>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	313,128	11,700	324,828	324,729	99
Other salaries for instruction		40,760	40,760	40,661	99
Purchased professional - educ services	170,282	(16,800)	153,482	153,226	256
General supplies	17,000	(4,000)	13,000	9,027	3,973
Textbooks	2,500		2,500	379	2,121
Total Multiple Disabilities	<u>502,910</u>	<u>31,660</u>	<u>534,570</u>	<u>528,022</u>	<u>6,548</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	3,190,340	24,650	3,214,990	3,192,479	22,511
Other salaries for instruction	136,475	(25,000)	111,475	110,188	1,287
Purchased professional education services	549,884	(49,975)	499,909	498,846	1,063
General supplies	38,000		38,000	34,635	3,365
Textbooks	3,900	(520)	3,380	1,421	1,959
Total Resource Room/Resource Center	<u>3,918,599</u>	<u>(50,845)</u>	<u>3,867,754</u>	<u>3,837,569</u>	<u>30,185</u>
Special Educ Instruction: Autism					
Salaries of teachers	249,955	2,100	252,055	251,990	65
Purchased professional - educ services	174,922	(77,650)	97,272	96,529	743
General supplies	9,350		9,350	6,722	2,628
Total Autism	<u>434,227</u>	<u>(75,550)</u>	<u>358,677</u>	<u>355,241</u>	<u>3,436</u>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers	120,895	(60,000)	60,895	32,900	27,995
Total Preschool Disabilities - Part-Time	<u>120,895</u>	<u>(60,000)</u>	<u>60,895</u>	<u>32,900</u>	<u>27,995</u>
Special Educ Instruction: Preschool Disabilities - FT					
Salaries of teachers	141,919	55,325	197,244	197,229	15
Purchased professional - educ services	372,380	84,291	456,671	456,636	35
Total Preschool Disabilities - Full-Time	<u>514,299</u>	<u>139,616</u>	<u>653,915</u>	<u>653,865</u>	<u>50</u>
Total Special Education - Instruction	<u>5,752,234</u>	<u>(2,918)</u>	<u>5,749,316</u>	<u>5,675,601</u>	<u>73,715</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	553,693	(80,000)	473,693	465,433	8,260
Other salaries for instruction	22,830	2	22,832	22,831	1
Purchased professional - educ services	13,000	(7,000)	6,000	5,990	10
Total Basic Skills/Remedial - Instruction	<u>589,523</u>	<u>(86,998)</u>	<u>502,525</u>	<u>494,254</u>	<u>8,271</u>
Bilingual Education - Instruction					
Salaries of teachers	270,553	600	271,153	271,062	91
General supplies	4,550	(648)	3,902	3,247	655
Textbooks	500	46	546	546	
Total Bilingual Instruction- Instruction	<u>275,603</u>	<u>(2)</u>	<u>275,601</u>	<u>274,855</u>	<u>746</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Vocational Programs - Local - Instruction					
Salaries of teachers	\$ 130,175	\$ -	\$ 130,175	\$ 125,126	\$ 5,049
General supplies	21,000		21,000	20,878	122
Total Vocational Programs- Instruction	151,175		151,175	146,004	5,171
School-Sponsored Cocurricular Act - Inst.					
Salaries	167,959	5,140	173,099	167,462	5,637
Supplies and materials	84,202	(20,839)	63,363	52,642	10,721
Total School-Sponsored Cocurr. Act. - Inst	252,161	(15,699)	236,462	220,104	16,358
School-Sponsored Athletics - Inst.					
Salaries	381,387	13,520	394,907	381,837	13,070
Purchased services (300-500)	50,140	(3,298)	46,842	46,309	533
Supplies and materials	54,649	4,339	58,988	58,566	422
Transfer to cover deficit (agency funds)	64,000	24,250	88,250	88,250	
Total School-Sponsored Athletics - Inst	550,176	38,811	588,987	574,962	14,025
Summer School					
Salaries	178,104	(18,885)	159,219	155,500	3,719
Other Salaries of Instructions	59,474	(28,185)	31,289	25,495	5,794
Purchased Professional & Technical Services	146,000	(61,571)	84,429	83,873	556
General Supplies	2,550		2,550	971	1,579
Total Summer School	386,128	(108,641)	277,487	265,839	11,648
Other Supplemental/At-Risk Programs					
Salaries of Teacher Tutors	54,294	(37,000)	17,294	12,862	4,432
Salaries of Reading Specialist	58,377		58,377	56,058	2,319
Total Other Supplemental/At-Risk Programs	112,671	(37,000)	75,671	68,920	6,751
Undistributed Expenditures - Instruction					
Tuition to other LEA's w/ the state - reg.	66,300	17,225	83,525	79,311	4,214
Tuition to other LEA's w/ the state - spl.	36,720	10,547	47,267	44,865	2,402
Tuition to county voc. school dist. - reg.	285,000	(18,700)	266,300	261,915	4,385
Tuition to CSSD & reg. day schools	1,090,210	(476,123)	614,087	346,397	267,690
Tuition to priv. sch. for the disabled w/ state	1,505,311	60,588	1,565,897	1,262,846	303,051
Tuition to priv. sch. for the disabled out state		64,616	64,616	59,541	5,075
Tuition - state facilities	32,306		32,306	32,306	
Tuition - Other	89,870	39,033	128,903	46,328	82,575
Total Undistributed Expenditures - Instruction	3,105,717	(302,816)	2,802,901	2,133,509	669,392
Undistributed Expenditures - Attend. and Social Work					
Salaries	82,013	18,000	100,013	94,678	5,335
Other Purchased Serv.	1,500		1,500	1,463	37
Total Undistributed Expenditures - Attendance	83,513	18,000	101,513	96,141	5,372
Undistributed Expenditures - Health Services					
Salaries	487,412	(32,175)	455,237	451,278	3,959
Purchased prof. and technical services	56,000	35,608	91,608	91,317	291
Supplies and materials	12,900	(1,058)	11,842	11,217	625
Total Undistributed Expenditures - Health Svcs.	556,312	2,375	558,687	553,812	4,875

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, - Related Services					
Salaries	\$ 673,581	\$ (71,416)	\$ 602,165	\$ 585,998	\$ 16,167
Purchased prof. and educational services	311,940	(17,157)	294,783	277,743	17,040
Supplies and materials	11,650		11,650	6,378	5,272
<b>Total Undst. Expend. - Speech, OT, PT. - Rel. Serv.</b>	<b>997,171</b>	<b>(88,573)</b>	<b>908,598</b>	<b>870,119</b>	<b>38,479</b>
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Salaries	165,418	(39,960)	125,458	119,955	5,503
Purchased prof. and educational services	1,342,487	314,172	1,656,659	1,643,014	13,645
<b>Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.</b>	<b>1,507,905</b>	<b>274,212</b>	<b>1,782,117</b>	<b>1,762,969</b>	<b>19,148</b>
Undist. Expend. - Guidance					
Salaries of other professional staff	1,174,370	(54,420)	1,119,950	1,104,198	15,752
Salaries of secretarial and clerical assistants	231,317	3,851	235,168	233,610	1,558
Other purchased prof. and technical services	74,770	(42,000)	32,770	30,698	2,072
Other purchased prof. services	2,000		2,000	723	1,277
Supplies and materials	33,250	(8,000)	25,250	18,490	6,760
Other objects	1,000		1,000	769	231
<b>Total Undst. Expend. - Guidance</b>	<b>1,516,707</b>	<b>(100,569)</b>	<b>1,416,138</b>	<b>1,388,488</b>	<b>27,650</b>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	977,893	(134,290)	843,603	834,208	9,395
Salaries of secretarial and clerical assistants	136,915	2,195	139,110	136,825	2,285
Purchased Prof. - Ed Services		130,763	130,763	103,617	27,146
Other purchased prof. and technical services	12,000	48,200	60,200	57,799	2,401
Other purchased services	1,500		1,500	835	665
Residential costs	41,000	(41,000)			
Supplies and materials	55,000	27,000	82,000	80,848	1,152
Other objects	1,600		1,600		1,600
<b>Total Undst. Expend. - Child Study Team</b>	<b>1,225,908</b>	<b>32,868</b>	<b>1,258,776</b>	<b>1,214,132</b>	<b>44,644</b>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	596,101	14,000	610,101	609,456	645
Salaries of other professional staff	101,723	(23,000)	78,723	72,950	5,773
Salaries of secretarial and clerical assistants	47,063		47,063	47,063	
Other Salaries	154,146	(55,336)	98,810	97,737	\$1,073
Salaries of Facilitators, Math & Literacy	62,774	25,533	88,307	84,069	4,238
Purchased prof. and educational services	26,000	(8,000)	18,000	17,200	800
Other purchased services (400-500)	18,500		18,500	10,943	7,557
Supplies and materials	35,000	159,436	194,436	189,661	4,775
Other Objects	9,740		9,740	4,740	5,000
<b>Total Undst. Expend. - Improvement of Instr. Services</b>	<b>1,051,047</b>	<b>112,633</b>	<b>1,163,680</b>	<b>1,133,819</b>	<b>29,861</b>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	136,816	4,000	140,816	138,992	1,824
Salaries of Technology Coordinators		1,384	1,384	1,384	
Purchased professional and technical services	732,606		732,606	247,196	485,410
Supplies and materials	289,571	261,638	551,209	534,846	16,363
<b>Total Undst. Expend. - Educ. Media Serv./Sch. Library</b>	<b>1,158,993</b>	<b>267,022</b>	<b>1,426,015</b>	<b>922,418</b>	<b>503,597</b>
Undist. Expend. - Instructional Staff Training					
Salaries of other professional staff	31,000	(19,000)	12,000	9,933	2,067
Purchased prof. and educational services	5,000	(4,000)	1,000		1,000
Other purchased services (400-500)	13,264		13,264	11,054	2,210
<b>Total Undst. Expend. - Instructional Staff Training</b>	<b>49,264</b>	<b>(23,000)</b>	<b>26,264</b>	<b>20,987</b>	<b>5,277</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$ 287,731	\$ 11,607	\$ 299,338	\$ 298,802	\$ 536
Legal services	170,000	(25,591)	144,409	143,493	916
Audit fees	33,000		33,000	33,000	
Architectural/Engineering Services	7,000	68,275	75,275	74,435	840
Other purchased professional services	33,000	(15,170)	17,830	4,313	13,517
Communications / telephone	315,000	(6,855)	308,145	306,171	1,974
BOE Other Purchased Services	1,500		1,500	848	652
Other purchased services (400-500)	56,600	(16,160)	40,440	29,486	10,954
General supplies	10,355	1,353	11,708	8,302	3,406
BOE In-House Training/Meeting Supplies	13,052		13,052	4,644	8,408
Miscellaneous expenditures	8,500		8,500	8,150	350
BOE Membership Dues and Fees	29,000		29,000	20,923	8,077
<b>Total Undst. Expend. - Supp. Serv. General Admin.</b>	<b>964,738</b>	<b>17,459</b>	<b>982,197</b>	<b>932,567</b>	<b>49,630</b>
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,384,118	31,618	1,415,736	1,392,539	23,197
Salaries of secretarial and clerical assistants	468,770	71,114	539,884	491,319	48,565
Other purchased services (400-500)	6,800	(171)	6,629	1,442	5,187
Supplies and materials	383,800	(189,741)	194,059	106,275	87,784
Other Objects	15,300	2,000	17,300	16,991	309
<b>Total Undst. Expend. - Supp. Serv. School Admin.</b>	<b>2,258,788</b>	<b>(85,180)</b>	<b>2,173,608</b>	<b>2,008,566</b>	<b>165,042</b>
Undist. Expend. - Central Services					
Salaries	530,069	7,158	537,227	529,946	7,281
Misc. Purchased services	41,700	4,927	46,627	43,791	2,836
Supplies and materials	170,800	(73,730)	97,070	53,887	43,183
Miscellaneous Expenditures	5,000	500	5,500	5,468	32
<b>Total Undst. Expend. - Central Services</b>	<b>747,569</b>	<b>(61,145)</b>	<b>686,424</b>	<b>633,092</b>	<b>53,332</b>
Undist. Expend. - Admin Info Technology					
Purchased Technical Services	157,737	(920)	156,817	146,229	10,588
Supplies and materials	148,915	(2,170)	146,745	128,246	18,499
<b>Total Undst. Expend. - Admin Info Technology</b>	<b>306,652</b>	<b>(3,090)</b>	<b>303,562</b>	<b>274,475</b>	<b>29,087</b>
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	360,667	370	361,037	345,837	15,200
Cleaning, repair, and maintenance services	304,125	192,259	496,384	451,669	44,715
General supplies	117,000	122,048	239,048	203,884	35,164
<b>Total Undst. Expend. - Required Maint. Sch. Facilities</b>	<b>781,792</b>	<b>314,677</b>	<b>1,096,469</b>	<b>1,001,390</b>	<b>95,079</b>
Undist. Expend. - Custodial Services					
Salaries of Non-Instructional Aides	217,095	28,100	245,195	241,143	4,052
Purchased professional & tech. services	2,329,045	(59,750)	2,269,295	2,265,310	3,985
Other purchased property services	35,000	(19,537)	15,463	14,728	735
Insurance	272,000	2,115	274,115	274,115	
General supplies	101,000	10,628	111,628	106,408	5,220
Energy (Electricity)	1,057,000	143,677	1,200,677	1,173,005	27,672
Energy (Natural Gas)	300,000	(54,000)	246,000	230,264	15,736
<b>Total Undst. Expend. - Custodial Services</b>	<b>4,311,140</b>	<b>51,233</b>	<b>4,362,373</b>	<b>4,304,973</b>	<b>57,400</b>
Undist. Expend. - Care & Upkeep of Grounds					
Purchased professional & tech. services	52,000		52,000		52,000
Cleaning, repair, and maintenance services	25,000	(25,000)			
General supplies	61,000	8,000	69,000	68,947	53
<b>Total Undst. Expend. - Care &amp; Upkeep of Grounds</b>	<b>138,000</b>	<b>(17,000)</b>	<b>121,000</b>	<b>68,947</b>	<b>52,053</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security					
Salaries	\$ 211,119	\$ (2,187)	\$ 208,932	\$ 198,597	\$ 10,335
Purchased professional & tech. services	23,500	7,192	30,692	28,703	1,989
Cleaning, repair, and maintenance services	17,100	8,542	25,642	25,568	74
General supplies	13,000	11,054	24,054	22,679	1,375
<b>Total Undst. Expend. - Security</b>	<b>264,719</b>	<b>24,601</b>	<b>289,320</b>	<b>275,547</b>	<b>13,773</b>
<b>Total Undst. Expend. - Oper. &amp; Maint. of Plant Services</b>	<b>5,495,651</b>	<b>373,511</b>	<b>5,869,162</b>	<b>5,650,857</b>	<b>218,305</b>
Undist. Expend. - Student Trans. Services					
Salaries for Non-Instructional Aides	70,134	68	70,202	55,461	14,741
Salaries for pupil trans (bet home & sch) - reg ed.	112,519	406	112,925	112,925	
Salaries for pupil trans (bet home & sch) - spl. ed.	244,088	76,604	320,692	315,969	4,723
Salaries for pupil trans (other than bet home & sch)	34,680		34,680	30,099	4,581
Cleaning, repair, and maintenance services	30,000	28,522	58,522	55,206	3,316
Lease purchase payments - school buses	27,500	(27,500)			
Contr. serv. (bet. home & sch.) - vendors	1,771,100	(76,511)	1,694,589	1,643,827	50,762
Contr. serv. (other than bet. home & sch.) - vendors	142,040	(7,740)	134,300	107,797	26,503
Contr. serv. (sp ed stds) - vendors	459,623	(14,383)	445,240	414,077	31,163
Contr. serv. (sp ed stds) - joint agreements	60,000	(55,500)	4,500	3,903	597
Contr. serv. Aid in Lieu Pymts - Non Public	155,000	(34,000)	121,000	103,963	17,037
Misc. purchased services - transportation	3,000		3,000	1,986	1,014
Supplies and materials	6,000	(640)	5,360	2,765	2,595
<b>Total Undst. Expend. - Student Trans. Services</b>	<b>3,115,684</b>	<b>(110,674)</b>	<b>3,005,010</b>	<b>2,847,978</b>	<b>157,032</b>
Regular Programs - Instruction - Employee Benefits					
Social security contributions	344,142	117,280	461,422	461,344	78
Other retirement contributions - PERS	356,250	55,541	411,791	411,464	327
Other retirement contributions - Regular					
Unemployment Compensation	160,000	(124,248)	35,752	34,324	1,428
Workmen's Compensation	308,000	(32,305)	275,695	274,191	1,504
Health benefits	8,037,449	57,603	8,095,052	8,061,134	33,918
Tuition reimbursement	90,000	5,000	95,000	85,978	9,022
Other employee benefits	156,246	(74,793)	81,453	75,321	6,132
<b>Total Regular Programs - Instruction</b>	<b>9,452,087</b>	<b>4,078</b>	<b>9,456,165</b>	<b>9,403,756</b>	<b>52,409</b>
Support Services - General Administration - Employee Benefits					
Social security contributions	67,250	(67,250)			
Unemployment Compensation	75,000	(75,000)			
Workmen's Compensation	25,000	(25,000)			
Health benefits	634,415	(634,415)			
Tuition reimbursement	25,000	(25,000)			
Other employee benefits	73,100	(73,100)			
<b>Total Other Support Services</b>	<b>899,765</b>	<b>(899,765)</b>			
<b>Total Allocated Benefits</b>	<b>10,351,852</b>	<b>(895,687)</b>	<b>9,456,165</b>	<b>9,403,756</b>	<b>52,409</b>
On-behalf TPAF Pension Contributions (non-budgeted)				1,325,336	(1,325,336)
On-behalf TPAF post retirement (non-budgeted)				2,103,971	(2,103,971)
Reimbursed TPAF social security contributions (non-budgeted)				1,835,691	(1,835,691)
<b>Total Undistributed Expenditures - TPAF</b>				<b>5,264,998</b>	<b>(5,264,998)</b>
<b>Total Undistributed Expenditures</b>	<b>\$ 34,493,471</b>	<b>\$ (572,654)</b>	<b>\$ 33,920,817</b>	<b>\$ 37,112,683</b>	<b>\$(3,191,866)</b>
<b>Total General Current Expense</b>	<b>\$ 59,629,302</b>	<b>\$(1,093,633)</b>	<b>\$ 58,535,669</b>	<b>\$ 61,385,530</b>	<b>\$(2,849,861)</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Grades 1-5	\$ 2,000	\$ -	\$ 2,000	\$ 1,743	\$ 257
Grades 6-8		64,978	64,978	64,978	
Grades 9-12	8,000	155,145	163,145	162,898	247
Support Staff - Instruct. Staff		27,690	27,690	27,230	460
General Administration		100,792	100,792	75,791	25,001
Admin. Info. Technology		504,920	504,920	504,920	
Undistributed Expenditures - Required Maint.	91,827	166,039	257,866	256,269	1,597
Undist. Exp. - Non-Instructional - School Buses - Special		74,069	74,069	74,069	
<b>Total Equipment</b>	<b>101,827</b>	<b>1,093,633</b>	<b>1,195,460</b>	<b>1,167,898</b>	<b>27,562</b>
Facilities Acquisition and Construction Services:					
Construction services					
Assessment for Debt Service on SDA funding	163,860		163,860	163,860	
<b>Total Facilities Acquisition and Construction Services</b>	<b>163,860</b>		<b>163,860</b>	<b>163,860</b>	
<b>Total Capital Outlay</b>	<b>265,687</b>	<b>1,093,633</b>	<b>1,359,320</b>	<b>1,331,758</b>	<b>27,562</b>
Transfer of Funds to Charter Schools	45,376	-	45,376	9,035	36,341
<b>Total Expenditures</b>	<b>59,940,365</b>		<b>59,940,365</b>	<b>62,726,323</b>	<b>\$ (2,785,958)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(2,298,685)		(2,298,685)	755,426	3,054,111
Other Financing Sources(Uses):					
Operating transfer out - Capital Projects Fund				(970,500)	(970,500)
<b>Total Other Financing Sources</b>				<b>(970,500)</b>	<b>(970,500)</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(2,298,685)		(2,298,685)	(215,074)	2,083,611
Fund Balance, July 1	5,947,073		5,947,073	5,947,073	
<b>Fund Balance, June 30</b>	<b>\$ 3,648,388</b>	<b>\$ -</b>	<b>\$ 3,648,388</b>	<b>\$ 5,731,999</b>	<b>\$ 2,083,611</b>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Maintenance Reserve				\$ 946,000	
Capital Reserve Account				1,707,921	
Assigned Fund Balance:					
Year-end Encumbrances				25,001	
Designated for Subsequent Year's Expenditures				1,782,047	
ARRA/SEMI - Designated for Subsequent Year's Expenditures				21,368	
Unassigned Fund Balance				1,249,662	
				<u>5,731,999</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				(1,731,639)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,000,360</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**BURLINGTON SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources	\$ 21,396	\$ -	\$ 21,396	\$ 19,245	\$ (2,151)
State sources	11,857		11,857	10,838	(1,019)
Federal sources	1,279,576		1,279,576	1,249,883	(29,693)
<b>Total revenues</b>	<u>1,312,829</u>		<u>1,312,829</u>	<u>1,279,966</u>	<u>(32,863)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	268,111	(27,150)	240,961	227,025	13,936
Professional education services	38,434		38,434	32,983	5,451
Purchased professional - tech. services	28,187		28,187	28,187	
Tuition	853,899		853,899	853,899	
General supplies	47,818	32,703	80,521	74,128	6,393
Textbooks	3,456		3,456	3,456	
<b>Total instruction</b>	<u>1,239,905</u>	<u>5,553</u>	<u>1,245,458</u>	<u>1,219,678</u>	<u>25,780</u>
Support services:					
Salaries	8,858	(2)	8,856	8,856	
Personal services - employee benefits	33,277		33,277	27,213	6,064
Purchased professional - educ. services	8,401		8,401	7,382	1,019
Other purchased services					
Purchased professional and technical services					
Supplies and materials	500		500	500	
<b>Total support services</b>	<u>51,036</u>	<u>(2)</u>	<u>51,034</u>	<u>43,951</u>	<u>7,083</u>
Facilities acquisition and construction services					
Instructional equipment	9,440	(5,551)	3,889	3,889	
Noninstructional equipment	12,448		12,448	12,448	
<b>Total facilities acq. and const. services</b>	<u>21,888</u>	<u>(5,551)</u>	<u>16,337</u>	<u>16,337</u>	
<b>Total expenditures</b>	<u>1,312,829</u>		<u>1,312,829</u>	<u>1,279,966</u>	<u>32,863</u>
<b>Total outflows</b>	<u>1,312,829</u>		<u>1,312,829</u>	<u>1,279,966</u>	<u>32,863</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

**Burlington Township School District  
Notes to Required Supplementary Information  
Budgetary Comparison**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 63,481,749	\$ 1,279,966
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,700,983	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,731,639)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 63,451,093	\$ 1,279,966
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 62,726,323	\$ 1,279,966
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 62,726,323	\$ 1,279,966

Required Supplementary Information - Part III  
Schedules Related to Accounting and Reporting  
For Pensions (GASB 68)

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last Fiscal Year**

	June 30, 2015
District's proportion of the net pension liability (asset)	4.65927600%
District's proportionate share of the net pension liability (asset)	\$ 8,723,439
District's covered-employee payroll	2,432,574
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	358.61%
Plan fiduciary net position as a percentage of the total pension liability	42.74%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Contributions**  
**Public Employees Retirement System**  
**Last Fiscal Year**

	June 30, 2015
Contractually required contribution	\$ 384,104
Contributions in relation to the contractually required contributions	(384,104)
Contribution deficiency (excess)	\$ -
District's covered-employee payroll	2,432,574
Contributions as a percentage of covered-employee payroll	15.79%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Fiscal Year**

	June 30, 2015
District's proportion of the net pension liability (asset)	0.2468446315%
District's proportionate share of the net pension liability (asset)	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 131,930,422
<b>Total</b>	<b>\$ 131,930,422</b>
 District's covered-employee payroll	 24,681,882
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

**Burlington Township School District  
Notes to Required Supplementary Information  
Pension Schedules  
For the Fiscal Year Ended June 30, 2015**

**1. Teacher's Pension and Annuity Fund (TPAF)**

*Changes of benefit terms.* The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

*Changes of assumptions:* Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

**2. Public Employees' Retirement System (PERS)**

*Changes of benefit terms.* The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

*Changes of assumptions.* Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

Other Supplementary Information

Special Revenue Fund  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2015**

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Totals
<b>REVENUES:</b>				
Local sources	\$ -	\$ 16,828	\$ 2,417	\$ 19,245
State sources			10,838	10,838
Federal sources	335,413	899,085	15,385	1,249,883
<b>Total Revenues</b>	<b>335,413</b>	<b>915,913</b>	<b>28,640</b>	<b>1,279,966</b>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of teachers	224,435		2,590	227,025
Professional education services	32,983			32,983
Purchased prof and tech services		28,187		28,187
Tuition		853,899		853,899
Textbook			3,456	3,456
General supplies	42,972	16,642	14,514	74,128
<b>Total instruction</b>	<b>300,390</b>	<b>898,728</b>	<b>20,560</b>	<b>1,219,678</b>
Support services:				
Salaries	8,008	848		8,856
Personal services-employee benefits	27,015		198	27,213
Purchased professional and educational services			7,382	7,382
Other purchased services (400-500)				
Supplies and materials			500	500
Other objects				
<b>Total support services</b>	<b>35,023</b>	<b>848</b>	<b>8,080</b>	<b>43,951</b>
Facilities acquisition and const. serv.:				
Instructional equipment		3,889		3,889
Non-instructional equipment		12,448		12,448
<b>Total facilities acquisition and const. serv.</b>		<b>16,337</b>		<b>16,337</b>
<b>Total Expenditures</b>	<b>335,413</b>	<b>915,913</b>	<b>28,640</b>	<b>1,279,966</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -

**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Special Revenue Fund  
Combining Statement of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year Ended June 30, 2015**

E.S.F.A. as amended by No Child Left Behind (N.C.L.B.)

	<u>Title I</u>	<u>Title I</u>	<u>Title IIA</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title III</u>	<u>Carried Forward</u>
	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>(Exh. E-1A)</u>
<b>REVENUES:</b>							
Local sources							
State sources							
Federal sources	\$ 255,785	\$ 998	\$ 60,755	\$ 8,621	\$ 8,093	\$ 1,161	\$ 335,413
<b>Total Revenues</b>	<b>255,785</b>	<b>998</b>	<b>60,755</b>	<b>8,621</b>	<b>8,093</b>	<b>1,161</b>	<b>335,413</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers	169,286		52,104		3,045		224,435
Professional education services	31,083				1,900		32,983
General supplies	37,898	998			2,915	1,161	42,972
<b>Total instruction</b>	<b>238,267</b>	<b>998</b>	<b>52,104</b>		<b>7,860</b>	<b>1,161</b>	<b>300,390</b>
Support services:							
Salaries				8,008			8,008
Personal services-employee benefits	17,518		8,651	613	233		27,015
Supplies and materials							
<b>Total support services</b>	<b>17,518</b>		<b>8,651</b>	<b>8,621</b>	<b>233</b>		<b>35,023</b>
Facilities acquisition and const. serv.:							
Instructional equipment							
Non-instructional equipment							
<b>Total facilities acquisition and const. serv.:</b>							
<b>Total Expenditures</b>	<b>255,785</b>	<b>998</b>	<b>60,755</b>	<b>8,621</b>	<b>8,093</b>	<b>1,161</b>	<b>335,413</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2015**

	Individuals with Disabilities Act (IDEA)						
	Basic Current Yr.	Preschool Current Yr.	Perkins Current Yr.	Other Local Grant	Music Grant	NJASBIG Grant	Totals
<b>REVENUES:</b>							
Local sources	\$ -	\$ -	\$ -	\$ 1,500	\$ 2,880	\$ 12,448	\$ 16,828
State sources							-
Federal sources	853,899	27,437	17,749				899,085
<b>Total Revenues</b>	<b>853,899</b>	<b>27,437</b>	<b>17,749</b>	<b>1,500</b>	<b>2,880</b>	<b>12,448</b>	<b>915,913</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers							
Purchased professional and technical services		27,437	750				28,187
Tuition	853,899						853,899
General supplies			12,262	1,500	2,880		16,642
<b>Total instruction</b>	<b>853,899</b>	<b>27,437</b>	<b>13,012</b>	<b>1,500</b>	<b>2,880</b>		<b>898,728</b>
Support services:							
Salaries			848				848
Personal services-employee benefits							
Other purchased services (400-500)							
Supplies and materials							
<b>Total support services</b>			<b>848</b>				<b>848</b>
Facilities acquisition and const. serv.:							
Instructional equipment			3,889				3,889
Non-instructional equipment						12,448	12,448
<b>Total facilities acquisition and const. serv.:</b>			<b>3,889</b>			<b>12,448</b>	<b>16,337</b>
<b>Total Expenditures</b>	<b>853,899</b>	<b>27,437</b>	<b>17,749</b>	<b>1,500</b>	<b>2,880</b>	<b>12,448</b>	<b>915,913</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2015**

	<u>Title III-Immigrant Current Yr.</u>	<u>Nonpuc Textbook</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Technology</u>	<u>Exxon Grant</u>	<u>Foundation Grant</u>	<u>CTEP Grant</u>	<u>Totals</u>
<b>REVENUES:</b>								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 1,177	\$ 740	\$ 2,417
State sources		3,456	5,678	1,704				10,838
Federal sources	15,385							15,385
<b>Total Revenues</b>	<b>15,385</b>	<b>3,456</b>	<b>5,678</b>	<b>1,704</b>	<b>500</b>	<b>1,177</b>	<b>740</b>	<b>28,640</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers	2,590							2,590
Purchased professional and technical services								-
Tuition								-
Textbook		3,456						3,456
General supplies	12,597					1,177	740	14,514
<b>Total instruction</b>	<b>15,187</b>	<b>3,456</b>				<b>1,177</b>	<b>740</b>	<b>20,560</b>
Support services:								
Personal services-employee benefits	198							198
Purchased professional and educational services			5,678	1,704				7,382
Other purchased services (400-500)								-
Supplies and materials					500			500
<b>Total support services</b>	<b>198</b>		<b>5,678</b>	<b>1,704</b>	<b>500</b>			<b>8,080</b>
Facilities acquisition and const. serv.:								
Non-instructional equipment								-
<b>Total facilities acquisition and const. serv.:</b>								<b>-</b>
<b>Total Expenditures</b>	<b>15,385</b>	<b>3,456</b>	<b>5,678</b>	<b>1,704</b>	<b>500</b>	<b>1,177</b>	<b>740</b>	<b>28,640</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Projects Fund  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budgetary Basis**  
**For the Fiscal Year ended June 30, 2015**

**Revenues and Other Financing Sources:**

SDA Grant	\$ -
Transfer from capital reserve	970,500
Total revenues and other financing sources	<u>970,500</u>

**Expenditures and Other Financing (Uses):**

Purchased professional services	117,680
Construction services	3,939,724
Total expenditures and other financing (uses)	<u>4,057,404</u>

Excess (deficiency) or revenues over (under) expenditures (3,086,904)

Fund Balance - July 1, 2014 4,383,030

Fund Balance - June 30, 2015 \$ 1,296,126

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Aquisition of Land for the New Middle School**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant				
Transfer from capital outlay	\$ 510,000	\$ -	\$ 510,000	\$ 510,000
Bond proceeds	1,500,000		1,500,000	1,500,000
<b>Total revenues</b>	<u>2,010,000</u>	<u>                    </u>	<u>2,010,000</u>	<u>2,010,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	340,490		340,490	340,490
Construction services				
Purchase of land	1,657,393		1,657,393	1,657,393
	<u>1,997,883</u>	<u>                    </u>	<u>1,997,883</u>	<u>1,997,883</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ 12,117</u>	<u>\$ -</u>	<u>\$ 12,117</u>	<u>\$ 12,117</u>
<b>Additional project information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/10/03			
Bonds Authorized	\$ 1,500,000			
Bonds Issued	\$ 1,500,000			
Original Authorized Cost	\$ 1,500,000			
Additional Authorized Cost	\$ 510,000			
Revised Authorized Cost	\$ 2,010,000			
Percentage Increase over Original Authorized Cost	34.00%			
Percentage Completion	100.00%			
Original target completion date	12/31/04			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Fountain Woods - Security System**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 176,855	\$ -	\$ 176,855	\$ 176,855
Transfer from capital reserve	223,550		223,550	223,550
<b>Total revenues</b>	<b>400,405</b>		<b>400,405</b>	<b>400,405</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	11,637		11,637	11,637
Construction services	381,318		381,318	381,318
	<b>392,955</b>		<b>392,955</b>	<b>392,955</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 7,450</b>	<b>\$ -</b>	<b>\$ 7,450</b>	<b>\$ 7,450</b>

**Additional project information:**

Project Number	#0620-010-09-OZFA
Grant Date	06/09/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 400,405
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 400,405
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original target completion date	06/30/11
Revised target completion date	N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - ADA Access and Security Systems**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 43,996	\$ -	\$ 43,996	\$ 43,996
Transfer from capital reserve	55,612		55,612	55,612
	99,608		99,608	99,608
<b>Total revenues</b>				
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	\$ 18,700		18,700	18,700
Construction services	77,269		77,269	77,269
	95,969		95,969	95,969
<b>Excess (deficiency) or revenues over (under) expenditures</b>				
	\$ 3,639	\$ -	\$ 3,639	\$ 3,639
<b>Additional project information:</b>				
Project Number	#0620-037-09-1102			
Grant Date	06/09/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 99,608			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 99,608			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	06/30/11			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - Security System**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 77,480	\$ -	\$ 77,480	\$ 77,480
Transfer from capital reserve	136,197		136,197	136,197
	<u>213,677</u>		<u>213,677</u>	<u>213,677</u>
<b>Total revenues</b>				
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	36,694		36,694	36,694
Construction services	144,513	29,066	173,579	173,579
	<u>181,207</u>	<u>29,066</u>	<u>210,273</u>	<u>210,273</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>				
	<u>\$ 32,470</u>	<u>\$ (29,066)</u>	<u>\$ 3,404</u>	<u>\$ 3,404</u>
<b>Additional project information:</b>				
Project Number	#0620-010-09-1001			
Grant Date	10/13/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 168,002			
Additional Authorized Cost	\$ 45,675			
Revised Authorized Cost	\$ 213,677			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	12/31/11			
Revised target completion date	12/31/14			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Fountain Woods School - Security System**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 85,513	\$ -	\$ 85,513	\$ 85,513
Transfer from capital reserve	99,907		99,907	99,907
	<u>185,420</u>	<u></u>	<u>185,420</u>	<u>185,420</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	38,694		38,694	38,694
Construction services	137,950	8,776	146,726	146,726
	<u>176,644</u>	<u>8,776</u>	<u>185,420</u>	<u>185,420</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 8,776</u>	<u>\$ (8,776)</u>	<u>\$ -</u>	<u>\$ -</u>

**Additional project information:**

Project Number	#0620-010-09-1001
Grant Date	10/13/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 185,420
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 185,420
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original target completion date	12/31/11
Revised target completion date	N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - Mechanical and Electrical Upgrades, Security System, Window Replacements**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 809,471	\$ -	\$ 809,471	\$ 809,471
Transfer from capital reserve	825,091	970,500	1,795,591	1,795,591
Total revenues	<u>1,634,562</u>	<u>970,500</u>	<u>2,605,062</u>	<u>2,605,062</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	109,535	50,767	160,302	160,302
Construction services		2,308,681	2,308,681	2,308,681
	<u>109,535</u>	<u>2,359,448</u>	<u>2,468,983</u>	<u>2,468,983</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 1,525,027</u>	<u>\$ (1,388,948)</u>	<u>\$ 136,079</u>	<u>\$ 136,079</u>
<b>Additional project information:</b>				
Project Number	#0620-010-14-1001			
Grant Date	06/20/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,634,562			
Additional Authorized Cost	\$ 970,500			
Revised Authorized Cost	\$ 2,605,062			
Percentage Increase over Original Authorized Cost	5.00%			
Percentage Completion	0.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Hopkins School - Mechanical Upgrades, Security Upgrades, Window Replacements, Communications**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 246,036	\$ -	\$ 246,036	\$ 246,036
Transfer from capital reserve	250,784		250,784	250,784
Total revenues	<u>496,820</u>		<u>496,820</u>	<u>496,820</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	42,458	17,914	60,372	60,372
Construction services		240,788	240,788	240,788
	<u>42,458</u>	<u>258,702</u>	<u>301,160</u>	<u>301,160</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 454,362</u>	<u>\$ (258,702)</u>	<u>\$ 195,660</u>	<u>\$ 195,660</u>
<b>Additional project information:</b>				
Project Number	#0620-025-14-1002			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 496,820			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 496,820			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**BTMS @ Springside School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 97,064	\$ -	\$ 97,064	\$ 97,064
Transfer from capital reserve	98,936		98,936	98,936
<b>Total revenues</b>	<b>196,000</b>	<b>-</b>	<b>196,000</b>	<b>196,000</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	3,045	5,455	8,500	8,500
Construction services				
	<b>3,045</b>	<b>5,455</b>	<b>8,500</b>	<b>8,500</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 192,955</b>	<b>\$ (5,455)</b>	<b>\$ 187,500</b>	<b>\$ 187,500</b>
<b>Additional project information:</b>				
Project Number	#0620-051-14-1005			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 196,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 196,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	5.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Fountain Woods School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 74,283	\$ -	\$ 74,283	\$ 74,283
Transfer from capital reserve	75,717		75,717	75,717
Total revenues	<u>150,000</u>	<u></u>	<u>150,000</u>	<u>150,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	3,045	3,705	6,750	6,750
Construction services				
	<u>3,045</u>	<u>3,705</u>	<u>6,750</u>	<u>6,750</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 146,955</u>	<u>\$ (3,705)</u>	<u>\$ 143,250</u>	<u>\$ 143,250</u>
<b>Additional project information:</b>				
Project Number	#0620-037-14-1004			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 150,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 150,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	5.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**B. Bernice Young School - Exterior Closure and HVAC**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 1,104,619	\$ -	\$ 1,104,619	\$ 1,104,619
Transfer from capital reserve	1,125,934		1,125,934	1,125,934
Total revenues	<u>2,230,553</u>		<u>2,230,553</u>	<u>2,230,553</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	137,099	39,839	176,938	176,938
Construction services	94,175	1,352,413	1,446,588	1,446,588
	<u>231,274</u>	<u>1,392,252</u>	<u>1,623,526</u>	<u>1,623,526</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 1,999,279</u>	<u>\$ (1,392,252)</u>	<u>\$ 607,027</u>	<u>\$ 607,027</u>
<b>Additional project information:</b>				
Project Number	#0620-030-14-1003			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,230,553			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,230,553			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2015

Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Transfer to Debt Service Fund	Unexpended Balance
			Prior Years	Current Year		
Acquisition of Land and to make Onsite and Offsite Improvements to such Land (1)	12/10/02	\$ 2,010,000	\$ 1,997,883	\$ -	\$ -	\$ 12,117
Fountain Woods School - Security System	12/21/05	400,405	392,955			7,450
High School - ADA Access and Security System	06/09/10	99,608	95,969			3,639
High School - Security System	10/13/10	213,677	181,207	29,066		3,404
Fountain Woods School - Security System	10/13/10	185,420	176,644	8,776		
High School - Mechanical and Electrical Upgrades Security System and Windows	6/20/14	2,605,062	109,535	2,359,448		136,079
Hopkins School - Mechanical Upgrades, Security Upgrades Windows and Communications	5/2/14	496,820	42,458	258,702		195,660
BTMS @ Springside School - Security Upgrades and Communications	5/2/14	196,000	3,045	5,455		187,500
Fountain Woods - Security Upgrades and Communications	5/2/14	150,000	3,045	3,705		143,250
Young School - Exterior Closure and HVAC	5/2/14	2,230,553	231,274	1,392,252		607,027
Total		<u>\$ 8,587,545</u>	<u>\$ 3,234,015</u>	<u>\$ 4,057,404</u>	<u>\$ -</u>	<u>\$ 1,296,126</u>

Proprietary Funds  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Net Position  
as of June 30, 2015

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 94,801	\$ 116,374	\$ 211,175
Accounts receivable:			
State	2,605		2,605
Federal	90,679		90,679
Other	147,742	10,735	158,477
Interfund	64,497	3,130	67,627
Inventories	<u>38,936</u>		<u>38,936</u>
Total current assets	<u>439,260</u>	<u>130,239</u>	<u>569,499</u>
Fixed assets:			
Buildings and Improvements	376,275		376,275
Equipment	<u>456,400</u>		<u>456,400</u>
Total Fixed Assets	832,675		832,675
Less Accumulated depreciation	<u>(484,903)</u>		<u>(484,903)</u>
Total fixed assets	<u>347,772</u>		<u>347,772</u>
Total assets	<u>\$ 787,032</u>	<u>\$ 130,239</u>	<u>\$ 917,271</u>
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable	\$ 6,267	\$ 247	\$ 6,514
Interfund payable	<u>371,969</u>		<u>371,969</u>
Total current liabilities	<u>378,236</u>	<u>247</u>	<u>378,483</u>
<b>NET POSITION:</b>			
Net investment in capital assets	347,772		347,772
Unrestricted	<u>61,024</u>	<u>129,992</u>	<u>191,016</u>
Total net position	<u>\$ 408,796</u>	<u>\$ 129,992</u>	<u>\$ 538,788</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Revenues, Expenses and Changes in Net Position  
for the Fiscal Years ended June 30, 2015

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Local sources:			
Daily sales-reimbursable programs	\$ 540,900	\$ -	\$ 540,900
Total reimbursable programs	540,900		540,900
Daily sales-non-reimbursable programs	260,417		260,417
Special functions	198,010		198,010
Rentals		60,835	60,835
Total non-reimbursable programs	458,427	60,835	519,262
Total operating revenue	<u>999,327</u>	<u>60,835</u>	<u>1,060,162</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Benefits	781,920	28,074	809,994
Direct expenses	12,479		12,479
Repairs and maintenance	19,083		19,083
Supplies and materials	46,338	19,828	66,166
Depreciation	14,705		14,705
Management fee	26,001		26,001
Cost of Sales	722,971		722,971
Other	5,374	17,787	23,161
Total operating expenses	<u>1,628,871</u>	<u>65,689</u>	<u>1,694,560</u>
Operating income (loss)	<u>(629,544)</u>	<u>(4,854)</u>	<u>(634,398)</u>
<b>Non-operating revenues:</b>			
State sources:			
State School Lunch Program	14,889		14,889
Federal sources:			
National School Lunch Program	424,699		424,699
National School Breakfast Program	74,896		74,896
U.S.D.A. commodities	80,567		80,567
Miscellaneous revenue			
Interest revenue	436	306	742
Total non-operating revenues	<u>595,487</u>	<u>306</u>	<u>595,793</u>
Net Income (loss)	(34,057)	(4,548)	(38,605)
Net position - July 1	<u>442,853</u>	<u>134,540</u>	<u>577,393</u>
Net position - June 30	<u>\$ 408,796</u>	<u>\$ 129,992</u>	<u>\$ 538,788</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Cash Flows**  
for the Fiscal Year ended June 30, 2015

	Food Service	Performing Arts Center	Total
Cash flows from operating activities:			
Cash receipts from customers	\$ 993,761	\$ 58,455	\$ 1,052,216
Cash payments to employees for services	(783,824)	(28,074)	(811,898)
Cash payments to suppliers for goods and services	(748,920)	(37,368)	(786,288)
Net cash used by operating activities	(538,983)	(6,987)	(545,970)
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements	518,790		518,790
Net cash provided by noncapital financing activities	518,790		518,790
Cash flows from capital financing activities:			
Purchases of fixed assets			
Net cash used by capital financing activities			
Cash flows from investing activities:			
Interest on investments	436	306	742
Net cash provided by investing activities	436	306	742
Net increase (decrease) in cash and cash equivalents	(19,757)	(6,681)	(26,438)
Cash and cash equivalents, July 1	114,558	123,055	237,613
Cash and cash equivalents, June 30	\$ 94,801	\$ 116,374	\$ 211,175
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (629,544)	\$ (4,854)	\$ (634,398)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	14,705		14,705
Federal commodities	80,567		80,567
Change in assets and liabilities:			
(Increase)/decrease in inventory	2,758	(2,380)	378
(Increase)/decrease in accounts receivable	(5,565)		(5,565)
(Increase)/decrease in interfund receivable			
Increase/(decrease) in accounts payable	(1,904)	247	(1,657)
Increase/(decrease) in interfund payable			
Net cash used by operating activities	\$ (538,983)	\$ (6,987)	\$ (545,970)

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
Statement of Net Position  
as of June 30, 2015

	<b>Governmental  Activites -  Internal Service  Technology  Service</b>
<b>ASSETS:</b>	
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable:	
Intergovernmental	38,988
Total current assets	38,988
Total assets	\$ 38,988
<b>LIABILITIES:</b>	
Current liabilities:	
Interfund payable	38,988
Total current liabilities	38,988
<b>NET POSITION:</b>	
Unrestricted	
Total net position	\$ -

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
 Statement of Revenues, Expenses and Changes in Net Position  
 for the Fiscal Years ended June 30, 2015

	<u>Governmental Activites - Internal Service Technology Service</u>
OPERATING REVENUES:	
Local sources:	
Shared Service Agreements	\$ 653,043
Total operating revenue	<u>653,043</u>
OPERATING EXPENSES:	
Technology Services	<u>653,043</u>
Total operating expenses	<u>653,043</u>
Operating income (loss)	<u>                    </u>
Net Income (loss)	
Net position - July 1	<u>                    </u>
Net position - June 30	<u><u>\$ -</u></u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
Statement of Cash Flows  
for the Fiscal Year ended June 30, 2015

	<u>Governmental Activites - Internal Service Technology Service</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 653,043
Cash payments to suppliers for goods and services	<u>(653,043)</u>
Net cash used by operating activities	<u>                    </u>
Net increase (decrease) in cash and cash equivalents	
Cash and cash equivalents, July 1	<u>                    </u>
Cash and cash equivalents, June 30	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	(38,988)
(Increase)/decrease in interfund receivable	
Increase/(decrease) in accounts payable	
Increase/(decrease) in interfund payable	<u>38,988</u>
Net cash used by operating activities	<u>\$ -</u>

Fiduciary Funds  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Fiduciary Funds**  
Combining Statement of Net Position  
June 30, 2015

	Agency Funds			Employee Benefit Trust Funds	Total
	Student Activity	Other Trust	Payroll	Unemployment Compensation Insurance Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 493,988	\$ -	\$ 279,023	\$ 609,163	\$ 1,382,174
Interfund receivable		57,644			57,644
<b>TOTAL ASSETS</b>	<b>\$ 493,988</b>	<b>\$ 57,644</b>	<b>\$ 279,023</b>	<b>\$ 609,163</b>	<b>\$ 1,439,818</b>
<b>LIABILITIES</b>					
<b>LIABILITIES:</b>					
Cash Overdraft	\$ -	\$ 14,635	\$ -	\$ -	\$ 14,635
Accounts payable				2,581	2,581
Payroll deductions and withholdings			275,814		275,814
Interfund payable			3,209		3,209
Other trust liabilities		43,009			43,009
Due to student groups	493,988				493,988
<b>Total liabilities</b>	<b>493,988</b>	<b>57,644</b>	<b>279,023</b>	<b>2,581</b>	<b>833,236</b>
<b>NET POSITION</b>					
Reserved for unemployment claims and other purposes				606,582	606,582
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 606,582</b>	<b>\$ 606,582</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Fiduciary Fund**  
 Comparative Statement of Changes in Fiduciary Net Position  
 for the Fiscal Year ended June 30, 2015

	Trust Funds		Total
	Unemployment Compensation Insurance Fund		
<b>REVENUES:</b>			
Local sources:			
Employee contributions	\$ 46,759	\$	46,759
Employer contributions	45,820		45,820
Interest on Investments	1,522		1,522
<b>Total Revenues</b>	<b>94,101</b>		<b>94,101</b>
 <b>EXPENDITURES:</b>			
Current Expense:			
Undistributed Expenditures:			
Unemployment claims	39,673		39,673
<b>Total Expenditures</b>	<b>39,673</b>		<b>39,673</b>
<b>Excess (deficiency) of revenues over (under) expenditures)</b>	<b>54,428</b>		<b>54,428</b>
<b>Net Assets July 1</b>	<b>552,154</b>		<b>552,154</b>
<b>Net Assets June 30</b>	<b>\$ 606,582</b>		<b>\$ 606,582</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2015</u>
Elementary Schools:				
Fountain Woods	\$ 45,495	\$ 27,998	\$ 25,536	\$ 47,957
Renaissance		25,339	20,037	5,302
Young School	21,200	17,134	24,804	13,530
Total Elementary Schools	<u>66,695</u>	<u>70,471</u>	<u>70,377</u>	<u>66,789</u>
Middle Schools:				
Hopkins Middle School	50,564	149,291	139,187	60,668
Total Middle Schools	<u>50,564</u>	<u>149,291</u>	<u>139,187</u>	<u>60,668</u>
High School:				
High School	373,935	650,675	658,079	366,531
Total High School	<u>373,935</u>	<u>650,675</u>	<u>658,079</u>	<u>366,531</u>
Total	<u>\$ 491,194</u>	<u>\$ 870,437</u>	<u>\$ 867,643</u>	<u>\$ 493,988</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Payroll Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 540,313	\$ 33,430,220	\$ 33,691,510	\$ 279,023
Total assets	<u>\$ 540,313</u>	<u>\$ 33,430,220</u>	<u>\$ 33,691,510</u>	<u>\$ 279,023</u>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 271,484	\$ 14,464,825	\$ 14,460,495	\$ 275,814
Net payroll		18,963,679	18,963,679	
Reserve for summer payroll	266,569	27	266,596	
Due to education association	231		231	
Interfund payable	<u>2,029</u>	<u>1,689</u>	<u>509</u>	<u>3,209</u>
Total liabilities	<u>\$ 540,313</u>	<u>\$ 33,430,220</u>	<u>\$ 33,691,510</u>	<u>\$ 279,023</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Other Trust Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
<b>ASSETS:</b>				
Cash and cash equivalents				
Interfund receivable	\$ 66,798	\$ 8,793	\$ 17,947	\$ 57,644
<b>Total assets</b>	<u>\$ 66,798</u>	<u>\$ 8,793</u>	<u>\$ 17,947</u>	<u>\$ 57,644</u>
<b>LIABILITIES:</b>				
Cash overdraft	5,842	8,793		14,635
Other trust agency liabilities	60,956		17,947	43,009
<b>Total liabilities</b>	<u>\$ 66,798</u>	<u>\$ 8,793</u>	<u>\$ 17,947</u>	<u>\$ 57,644</u>

## Long-Term Debt Schedules

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
**Statement of Serial Bonds**  
**June 30, 2015**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
School Bonds	4/15/04	\$ 23,473,000				\$ 1,120,000	\$ -	\$ 1,120,000	\$ -
Refunding Bonds	4/1/2012	13,795,000	07/15/15	\$ 1,160,000	5.00%	13,625,000			13,625,000
			07/15/16	1,205,000	3.50%				
			07/15/17	1,245,000	4.50%				
			07/15/18	1,290,000	3.75%				
			07/15/19	1,335,000	5.00%				
			07/15/20	1,385,000	5.00%				
			07/15/21	1,430,000	4.00%				
			07/15/22	1,485,000	4.50%				
			07/15/23	1,540,000	4.50%				
			07/15/24	1,550,000	4.40%				
Refunding Bonds	10/3/2013	13,325,000	01/15/16	365,000	1.50%	13,295,000		2,365,000	10,930,000
			01/15/16	2,000,000	3.00%				
			01/15/17	390,000	1.50%				
			01/15/17	2,000,000	4.00%				
			01/15/18	420,000	2.00%				
			01/15/18	2,000,000	5.00%				
			01/15/19	205,000	2.00%				
			01/15/19	2,000,000	5.00%				
			01/15/20	1,550,000	5.00%				
<b>Total</b>						<u>\$ 28,040,000</u>	<u>\$ -</u>	<u>\$ 3,485,000</u>	<u>\$ 24,555,000</u>

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**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 3,539,220	\$ -	\$ 3,539,220	\$ 3,539,220	\$ -
Miscellaneous					
Total revenues - local sources	<u>3,539,220</u>		<u>3,539,220</u>	<u>3,539,220</u>	
State sources:					
Debt service aid type II	<u>973,078</u>		<u>973,078</u>	<u>973,078</u>	
Total revenues - state sources	<u>973,078</u>		<u>973,078</u>	<u>973,078</u>	
Total Revenues	<u>4,512,298</u>		<u>4,512,298</u>	<u>4,512,298</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest on bonds	1,073,125		1,073,125	1,073,125	
Redemption of principal	3,485,000		3,485,000	3,485,000	
Expenses of refunding bonds					
Total Expenditures	<u>4,558,125</u>		<u>4,558,125</u>	<u>4,558,125</u>	
Excess (Deficiency) of revenues over (under) expenditures	(45,827)		(45,827)	(45,827)	
Other Financing Sources and (Uses):					
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(45,827)		(45,827)	(45,827)	
Fund Balance, July 1	<u>228,036</u>		<u>228,036</u>	<u>228,036</u>	
Fund Balance, June 30	<u>\$ 182,209</u>		<u>\$ 182,209</u>	<u>182,209</u>	

**Statistical Section**

**Burlington Township School District**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-1

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 3,416,432	\$ 16,925,859	\$ 22,517,472	\$ 25,976,649	\$ 20,705,914	\$ 22,876,427	\$ 26,690,199	\$ 28,803,444	\$ 31,090,573	\$ 36,972,907
Restricted for:	-	-	-	-	-	-	-	-	-	-
Capital projects	6,246,076	6,952,014	3,160,892	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047
Debt service	318,791	187,912	(247,917)	(801,361)	(839,652)	-	-	-	-	182,209
Other purposes	16,282,276	4,649,355	5,918,231	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416
Unrestricted	217,388	139,240	23,426	(930,620)	(861,535)	(1,326,401)	(967,317)	(1,788,509)	(1,737,575)	(11,375,681)
Total governmental activities net position	<u>\$ 26,480,963</u>	<u>\$ 28,854,380</u>	<u>\$ 31,372,104</u>	<u>\$ 34,092,362</u>	<u>\$ 25,102,055</u>	<u>\$ 27,495,701</u>	<u>\$ 31,489,996</u>	<u>\$ 33,682,737</u>	<u>\$ 38,510,805</u>	<u>\$ 31,557,898</u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 178,583	\$ 145,155	\$ 488,002	\$ 438,572	\$ 423,113	\$ 407,954	\$ 392,795	\$ 377,636	\$ 362,477	\$ 347,772
Unrestricted	326,107	476,316	196,722	192,518	215,713	198,898	167,290	164,406	214,916	191,016
Total business-type activities net position	<u>\$ 504,690</u>	<u>\$ 621,471</u>	<u>\$ 684,724</u>	<u>\$ 631,090</u>	<u>\$ 638,826</u>	<u>\$ 606,852</u>	<u>\$ 560,085</u>	<u>\$ 542,042</u>	<u>\$ 577,393</u>	<u>\$ 538,788</u>
<b>District-wide:</b>										
Net investment in capital assets	\$ 3,595,015	\$ 17,071,014	\$ 23,005,474	\$ 26,415,221	\$ 21,129,027	\$ 23,284,381	\$ 27,082,994	\$ 29,181,080	\$ 31,453,050	\$ 37,320,679
Restricted:										
Capital projects	6,246,076	6,952,014	3,160,892	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047
Debt service	318,791	187,912	(247,917)	(801,361)	(839,652)	-	-	-	-	182,209
Other purposes	16,282,276	4,649,355	5,918,231	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416
Unrestricted	543,495	615,556	220,148	(738,102)	(645,822)	(1,127,503)	(800,027)	(1,624,103)	(1,522,659)	(11,184,665)
Total district net position	<u>\$ 26,985,653</u>	<u>\$ 29,475,851</u>	<u>\$ 32,056,828</u>	<u>\$ 34,723,452</u>	<u>\$ 25,740,881</u>	<u>\$ 28,102,553</u>	<u>\$ 32,050,081</u>	<u>\$ 34,224,779</u>	<u>\$ 39,088,198</u>	<u>\$ 32,096,686</u>

**Burlington Township School District**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses:</b>										
<b>Governmental activities:</b>										
<b>Instruction:</b>										
Regular	\$ 15,431,761	\$ 16,719,895	\$ 17,591,711	\$ 18,863,496	\$ 19,998,369	\$ 17,473,133	\$ 17,648,544	\$ 18,587,884	\$ 18,548,385	\$ 19,079,235
Special education	4,528,850	4,885,732	5,391,006	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937
Other instruction	1,146,316	1,203,920	1,286,152	1,619,940	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938
<b>Support Services:</b>										
Tuition	2,353,701	2,174,982	2,023,950	1,797,027	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509
Student & instruction related services	4,188,960	4,438,732	4,874,624	5,282,806	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836
School administrative services	1,773,779	1,908,900	1,984,343	2,155,806	2,260,879	2,099,864	2,065,641	2,170,709	2,264,061	2,008,566
General and business administrative services	1,192,011	1,162,081	1,260,007	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	2,739,238
Plant operations and maintenance	3,610,428	3,081,060	4,973,358	4,083,205	11,087,692	5,250,208	4,882,876	5,494,750	6,632,987	6,770,069
Pupil transportation	2,281,447	2,387,026	2,520,410	2,623,668	2,713,136	2,566,828	2,611,623	2,662,537	2,726,822	2,847,978
Unallocated employee benefits	8,428,740	10,266,474	11,313,384	10,412,728	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,637,894
Special schools	96,430	143,343	92,057	213,353	-	-	-	-	-	-
Charter schools	-	-	-	-	72,937	120,663	124,018	52,122	37,196	9,035
Interest on long-term debt	2,398,650	2,271,940	2,143,243	2,041,060	1,898,026	1,759,084	1,443,649	1,523,662	908,696	870,560
Unallocated depreciation and amortization	77,282	175,214	161,476	161,978	188,552	132,853	143,678	114,186	214,399	76,577
<b>Total governmental activities expenses</b>	<b>47,508,355</b>	<b>50,819,299</b>	<b>55,615,721</b>	<b>56,652,082</b>	<b>67,871,578</b>	<b>59,383,635</b>	<b>60,704,566</b>	<b>65,169,370</b>	<b>66,056,721</b>	<b>67,781,372</b>
<b>Business-type activities:</b>										
Community Arts Center	17,975	26,873	19,309	46,847	31,846	27,648	43,668	47,437	52,367	65,689
Food Service	1,139,549	1,169,818	1,382,454	1,383,332	1,406,827	1,581,505	1,729,954	1,657,407	1,671,370	1,628,871
<b>Total business-type activities expense</b>	<b>1,157,524</b>	<b>1,196,691</b>	<b>1,401,763</b>	<b>1,430,179</b>	<b>1,438,673</b>	<b>1,609,153</b>	<b>1,773,622</b>	<b>1,704,844</b>	<b>1,723,737</b>	<b>1,694,560</b>
<b>Total district expenses</b>	<b>\$ 48,665,879</b>	<b>\$ 52,015,990</b>	<b>\$ 57,017,484</b>	<b>\$ 58,082,261</b>	<b>\$ 69,310,251</b>	<b>\$ 60,992,788</b>	<b>\$ 62,478,188</b>	<b>\$ 66,874,214</b>	<b>\$ 67,780,458</b>	<b>\$ 69,475,932</b>
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
Operating grants and contributions	\$ 5,376,588	\$ 6,507,066	\$ 6,917,517	\$ 5,588,518	\$ 6,434,197	\$ 6,624,272	\$ 6,410,954	\$ 7,675,389	\$ 7,057,093	\$ 6,518,042
Charges for service	-	-	-	-	-	-	-	-	653,043	653,043
<b>Total governmental activities program revenues</b>	<b>5,376,588</b>	<b>6,507,066</b>	<b>6,917,517</b>	<b>5,588,518</b>	<b>6,434,197</b>	<b>6,624,272</b>	<b>6,410,954</b>	<b>7,675,389</b>	<b>7,057,093</b>	<b>7,171,085</b>

(Continued)

**Burlington Township School District**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Business-type activities:</b>										
Charges for services:										
Performing Arts Center	\$ 50,279	\$ 27,804	\$ 31,008	\$ 44,027	\$ 36,706	\$ 49,346	\$ 30,420	\$ 46,510	\$ 40,710	\$ 60,835
Food service	950,211	985,625	993,391	955,229	1,007,202	1,085,543	1,151,603	1,072,889	1,155,350	999,327
Operating grants and contributions	281,657	296,516	333,050	376,368	399,517	438,090	542,082	566,926	562,674	595,051
Total business-type activities program revenues	1,282,147	1,309,945	1,357,449	1,375,624	1,443,425	1,572,979	1,724,105	1,686,325	1,758,734	1,655,213
Total district program revenues	\$ 6,658,735	\$ 7,817,011	\$ 8,274,966	\$ 6,964,142	\$ 7,877,822	\$ 8,197,251	\$ 8,135,059	\$ 9,361,714	\$ 8,815,827	\$ 8,826,298
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (42,131,767)	\$ (44,312,233)	\$ (48,698,204)	\$ (51,063,564)	\$ (61,437,381)	\$ (52,759,363)	\$ (54,293,612)	\$ (57,493,981)	\$ (58,999,628)	\$ (60,610,287)
Business-type activities	124,623	113,254	(44,314)	(54,555)	4,752	(36,174)	(49,517)	(18,519)	34,997	(39,347)
Total district-wide net expense	\$ (42,007,144)	\$ (44,198,979)	\$ (48,742,518)	\$ (51,118,119)	\$ (61,432,629)	\$ (52,795,537)	\$ (54,343,129)	\$ (57,512,500)	\$ (58,964,631)	\$ (60,649,634)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 25,498,048	\$ 27,848,255	\$ 27,507,030	\$ 32,233,166	\$ 32,249,821	\$ 33,393,814	\$ 34,745,745	\$ 35,829,683	\$ 37,196,328	\$ 38,033,254
Taxes levied for debt service	3,724,611	3,150,626	2,916,758	2,994,462	3,625,196	3,903,689	3,873,418	3,997,792	3,800,613	3,539,220
Unrestricted grants and contributions	17,254,004	14,751,753	19,402,329	17,595,704	15,762,374	17,467,163	19,149,798	19,476,178	21,617,556	20,482,740
State aid restricted for debt service	-	-	-	-	-	-	-	-	-	-
Investment earnings	802,971	591,025	102,416	55,722	38,312	53,167	35,967	2,248	2,654	890
Miscellaneous income	114,734	343,991	1,287,395	904,768	771,371	335,176	482,979	849,601	1,210,545	669,211
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	47,394,368	46,685,650	51,215,928	53,783,822	52,447,074	55,153,009	58,287,907	60,055,502	63,827,696	62,725,315
Business-type activities:										
Investment earnings	-	-	4,053	921	2,984	4,200	2,750	476	354	742
Miscellaneous income	1,536	3,527	103,514	-	-	-	-	-	-	-
Total business-type activities	1,536	3,527	107,567	921	2,984	4,200	2,750	476	354	742
Total district-wide	\$ 47,395,904	\$ 46,689,177	\$ 51,323,495	\$ 53,784,743	\$ 52,450,058	\$ 55,157,209	\$ 58,290,657	\$ 60,055,978	\$ 63,828,050	\$ 62,726,057
<b>Change in Net Position:</b>										
Governmental activities	\$ 5,262,601	\$ 2,373,417	\$ 2,517,724	\$ 2,720,258	\$ (8,990,307)	\$ 2,393,646	\$ 3,994,295	\$ 2,561,521	\$ 4,828,068	\$ 2,115,028
Business-type activities	126,159	116,781	63,253	(53,634)	7,736	(31,974)	(46,767)	(18,043)	35,351	(38,605)
Total district-wide	\$ 5,388,760	\$ 2,490,198	\$ 2,580,977	\$ 2,666,624	\$ (8,982,571)	\$ 2,361,672	\$ 3,947,528	\$ 2,543,478	\$ 4,863,419	\$ 2,076,423

Burlington Township School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit J-3

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Reserved for:										
Encumbrances	\$ 328,111	\$ 382,183	\$ 38,610	\$ 26,107	\$ 221,326	\$ 161,820	\$ 48,437	\$ 151,380	\$ -	\$ 25,001
Capital reserve	2,320	2,430	902,466	1,937,273	1,667,959	1,627,549	2,035,340	2,924,446	1,300,156	1,707,921
Maintenance reserve				100,000	-	200,000	546,000	946,000	946,000	946,000
Excess surplus	1,924,399	2,315,891	3,532,849	3,450,510	-	320,203	257,917	205,428	-	-
Excess surplus - designated for subsequent year's expenditures	2,647,147	1,924,398	2,315,891	3,532,849	3,352,604	-	322,773	257,917	205,428	-
Legally restricted										
ARRA/SEMI- Unreserved - designated for subsequent year's expenditures										21,368
Unreserved - designated for subsequent year's expenditures	20,428	32,683	36,681	77,531	-	2,200,000	2,351,131	2,085,947	2,095,157	1,782,047
Unreserved	277,091	356,554	395,768	(281,583)	(300,778)	273,238	306,897	(44,754)	(300,651)	(481,977)
Total general fund	<u>\$ 5,199,496</u>	<u>\$ 5,014,139</u>	<u>\$ 7,222,265</u>	<u>\$ 8,842,687</u>	<u>\$ 4,941,111</u>	<u>\$ 4,782,810</u>	<u>\$ 5,868,495</u>	<u>\$ 6,526,364</u>	<u>\$ 4,246,090</u>	<u>\$ 4,000,360</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ 11,367,991	\$ 4,960,858	\$ 1,630,965	\$ 249,755	\$ -	\$ 918,630	\$ 149,493	\$ 18,971	\$ 2,373,716	\$ 463,005
Unreserved, reported in:										
Special revenue fund	(5,800)	(5,800)	(5,800)	-	-	-	-	-	-	-
Capital projects fund	6,243,756	1,988,726	627,461	473,669	855,439	517,473	47,343	23,206	2,009,314	833,121
Debt service fund	1,385,331	1,203,203	708,666	107,168	4,752	-	8,680	54,507	228,036	182,209
Total all other governmental funds	<u>\$ 18,991,278</u>	<u>\$ 8,146,987</u>	<u>\$ 2,961,292</u>	<u>\$ 830,592</u>	<u>\$ 860,191</u>	<u>\$ 1,436,103</u>	<u>\$ 205,516</u>	<u>\$ 96,684</u>	<u>\$ 4,611,066</u>	<u>\$ 1,478,335</u>

**Burlington Township School District**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

Exhibit J-4

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Tax levy	\$ 29,222,659	\$ 30,998,881	\$ 34,641,833	\$ 35,227,628	\$ 35,875,017	\$ 37,297,503	\$ 38,619,163	\$ 39,727,475	\$ 40,996,941	\$ 41,572,474
Tuition charges	71,944	109,529	80,806	534,292	516,165	192,341	244,212	403,855	551,663	338,678
Transportation charges	19,671	18,728	18,208	65,843	97,481	52,842	11,255	56,806	31,509	56,438
Interest earnings	802,971	591,025	325,459	55,722	38,312	53,167	35,967	2,248	2,654	890
Miscellaneous	35,005	225,677	965,338	307,816	161,366	112,066	290,874	455,082	682,342	293,340
State sources	19,260,484	20,124,662	20,938,975	22,063,488	17,878,623	22,535,771	23,547,311	25,766,255	27,337,752	25,634,781
Federal sources	1,256,913	1,124,214	1,162,826	1,117,551	4,314,307	1,533,591	1,950,079	1,319,170	1,281,928	1,346,756
<b>Total revenue</b>	<b>50,669,647</b>	<b>53,192,716</b>	<b>58,133,445</b>	<b>59,372,340</b>	<b>58,881,271</b>	<b>61,777,281</b>	<b>64,698,861</b>	<b>67,730,891</b>	<b>70,884,789</b>	<b>69,243,357</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	15,267,583	15,744,985	16,633,664	17,731,137	17,968,505	15,879,162	16,156,784	16,891,831	16,803,273	16,890,650
Special education instruction	4,528,850	4,885,732	5,391,006	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937
Other special instruction	1,146,316	1,203,920	1,286,152	1,619,940	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938
Other instruction	-	-	-	-	-	-	-	-	-	-
<b>Support Services:</b>										
Tuition	2,353,701	2,174,982	2,023,950	1,797,027	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509
Student & instruction related services	4,188,960	4,438,732	4,874,624	5,282,806	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836
School administrative services	1,192,011	1,784,056	1,863,023	1,964,998	1,953,319	1,903,703	1,849,768	1,942,336	2,024,011	2,008,566
General and business admin. services	1,732,438	1,162,081	1,260,007	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	1,840,134
Plant operations and maintenance	3,289,324	3,247,299	4,090,850	4,130,816	4,449,035	4,818,319	4,672,305	5,003,333	5,485,395	5,650,857
Pupil transportation	2,281,447	2,387,026	2,520,410	2,623,668	2,713,136	2,566,828	2,611,623	2,662,537	2,726,822	2,847,978
Other support services	8,428,740	10,266,474	11,313,384	10,412,728	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,668,754
Special Schools	96,430	143,343	92,057	213,353	-	-	-	-	-	-
Charter School	-	-	-	-	72,937	120,663	124,018	52,122	37,196	9,035
Capital outlay	16,843,772	11,748,822	4,829,936	1,981,977	742,178	949,767	2,354,764	985,719	2,019,066	5,405,499
<b>Debt service:</b>										
Principal	2,630,000	2,695,000	2,730,000	2,890,000	3,240,000	3,320,000	3,400,000	3,755,000	3,680,000	3,485,000
Interest and other charges	2,440,889	2,323,189	2,201,951	2,089,114	1,962,151	1,820,226	1,828,983	1,325,456	1,287,496	1,073,125
<b>Total expenditures</b>	<b>66,420,461</b>	<b>64,205,641</b>	<b>61,111,014</b>	<b>60,134,579</b>	<b>62,753,248</b>	<b>61,359,670</b>	<b>64,982,782</b>	<b>67,181,854</b>	<b>68,787,424</b>	<b>72,621,818</b>
Excess (Deficiency) of revenues over (under) expenditures	(15,750,814)	(11,012,925)	(2,977,569)	(762,239)	(3,871,977)	417,611	(283,921)	549,037	2,097,365	(3,378,461)
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	-	-	-	251,960	-	-	144,306	-	14,540,387	-
Accounts receivable cancelled	-	(16,723)	-	-	-	-	(5,287)	-	(14,403,644)	-
Transfers in	-	871,916	102,416	57,477	279,162	551,171	208,680	-	2,422,137	970,500
Transfers out	-	(871,916)	(102,416)	(57,477)	(279,162)	(551,171)	(208,680)	-	(2,422,137)	(970,500)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(16,723)</b>	<b>-</b>	<b>251,960</b>	<b>-</b>	<b>-</b>	<b>139,019</b>	<b>-</b>	<b>136,743</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (15,750,814)</b>	<b>\$ (11,029,648)</b>	<b>\$ (2,977,569)</b>	<b>\$ (510,279)</b>	<b>\$ (3,871,977)</b>	<b>\$ 417,611</b>	<b>\$ (144,902)</b>	<b>\$ 549,037</b>	<b>\$ 2,234,108</b>	<b>\$ (3,378,461)</b>
Debt service as a percentage of noncapital expenditures	10.23%	9.57%	8.76%	8.56%	8.39%	8.51%	8.35%	7.67%	7.44%	6.78%

Source: District records

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

Exhibit J-5

Fiscal Year Ending June 30,	Interest on Investments	Transportation	Tuition	Refunds	Rentals	Shared Services	Donations	Preschool Program Fees	Miscellaneous	Total
2006	\$ 180,460	\$ 19,671	\$ 71,944	\$ 9,623	\$ 7,200	\$ -	\$ -	\$ -	\$ 6,296	\$ 295,194
2007	229,109	18,728	109,529	150,707	6,000				5,127	519,200
2008	223,043	18,208	80,806	926,080	7,800				31,458	1,287,395
2009	50,970	65,843	534,292	294,903	7,200				2,530	955,738
2010	28,464	97,481	516,165	84,786	7,000			63,487	2,452	799,835
2011	42,406	52,842	192,341	15,398	53,774			18,000	2,821	377,582
2012	28,177	244,212	11,255	99,785	83,084		13,300	25,400	5,943	511,156
2013	8,101	56,806	403,855	31,459	70,269			20,300	261,059	851,849
2014	6,337	31,509	551,663	59,812	125,674	384,833		20,800	29,917	1,210,545
2015	20,896	56,438	338,678	63,624	105,560	25,416		21,435	38,054	670,101
	<u>\$ 817,963</u>	<u>\$ 661,738</u>	<u>\$ 2,810,528</u>	<u>\$ 1,736,177</u>	<u>\$ 473,561</u>	<u>\$ 410,249</u>	<u>\$ 13,300</u>	<u>\$ 169,422</u>	<u>\$ 385,657</u>	<u>\$ 7,478,595</u>

Source: District records

**Burlington Township School District  
Assessed Value and Actual Value of Taxable Property,  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2006	\$ 59,427,950	\$1,646,405,160	\$ 5,185,000	\$ 1,790,150	\$ 393,292,600	\$ 197,906,400	\$ 56,490,000	\$2,360,497,260	\$ 4,297,620	\$2,364,794,880	\$ 201,362,650	\$ 1.310	\$ 2,461,766,850
2007	67,750,650	1,660,867,238	5,185,000	1,781,250	386,969,200	190,490,200	55,990,000	2,369,033,538	3,965,685	2,372,999,223	202,453,350	1.460	2,716,891,365
2008	63,418,950	1,676,485,258	4,835,000	1,762,250	383,155,900	198,590,200	55,090,000	2,383,337,558	3,945,609	2,387,283,167	238,151,750	1.475	2,959,089,855
2009	60,892,900	1,682,202,658	4,835,000	824,400	354,987,100	231,471,100	55,090,000	2,390,303,158	4,411,793	2,394,714,951	241,617,150	1.498	2,859,956,299
2010	58,070,100	1,686,539,858	5,221,800	893,100	345,873,600	231,680,600	55,090,000	2,383,369,058	4,890,705	2,388,259,763	248,407,150	1.561	2,741,357,925
2011	62,090,000	1,686,245,058	2,119,300	893,100	345,199,250	223,132,600	55,090,000	2,374,768,308	4,396,827	2,379,165,135	252,726,950	1.624	2,666,755,461
2012	63,813,100	1,539,973,957	2,119,300	868,700	342,544,250	219,982,600	55,090,000	2,224,391,907	4,662,239	2,229,054,146	248,770,450	1.762	2,324,940,541
2013	67,610,200	1,527,747,957	2,021,300	874,900	339,142,450	228,582,600	54,290,000	2,220,269,407	3,498,570	2,223,767,977	252,810,450	1.844	2,260,097,655
2014	61,935,100	1,530,989,757	1,599,800	888,400	333,579,550	224,082,200	54,065,000	2,207,139,807	2,575,429	2,209,715,236	252,409,450	1.881	2,241,817,759
2015	58,134,200	1,537,823,757	1,599,800	857,400	297,699,900	239,808,300	54,065,000	2,189,988,357	2,566,194	2,192,554,551	254,308,450	1.920	2,293,204,680

Source: Municipal Tax Assessor

**Note:**

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100.

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

**Exhibit J-7**

Fiscal Year Ended June 30,	Burlington School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Burlington	Burlington County	Fire District	
2006	\$ 1.177	\$ 0.133	\$ 1.310	\$ 0.253	\$ 0.457	\$ 0.062	\$ 2.082
2007	1.337	0.123	1.460	0.289	0.481	0.062	2.292
2008	1.350	0.125	1.475	0.334	0.480	0.065	2.354
2009	1.347	0.151	1.498	0.351	0.454	0.067	2.370
2010	1.398	0.163	1.561	0.382	0.435	0.069	2.447
2011	1.461	0.163	1.624	0.410	0.422	0.070	2.526
2012	1.607	0.175	1.782	0.453	0.392	0.077	2.704
2013	1.673	0.171	1.844	0.483	0.381	0.078	2.786
2014	1.721	0.160	1.881	0.496	0.384	0.079	2.840
2015	1.769	0.151	1.920	0.514	0.431	0.083	2.948

**Source: Municipal Tax Collector**

**Note:** NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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

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

**Burlington Township School District  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

**Exhibit J-8**

Taxpayer	2014-2015		Taxpayer	2005-2006	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Whitesell, Inc	\$ 63,328,600	2.87%	Whitesell, Inc.	\$ 78,446,000	3.32%
1900 River Road, LLC	40,300,000	1.82%	NGP Capital Partners	40,000,000	1.69%
Midmall Resources LP	32,000,500	1.45%	Midmall Resources	26,000,000	1.10%
Cole BJ Burlington NJ LLC	28,000,000	1.27%	Burlington Coat Factory	24,600,000	1.04%
Burlington Coat Factory Warehouse	25,205,000	1.14%	Burlington Center	20,500,000	0.87%
Geriatric Med	18,892,000	0.85%	Sunset Associates	18,500,000	0.78%
130 Holdings LLC	18,028,000	0.82%	130 Holdings, LLC	18,330,000	0.78%
Sunset Associates	17,200,000	0.78%	JS Hovanian	13,400,000	0.57%
Towne Crossing	13,400,000	0.61%	Northgate Village Realty	13,270,000	0.56%
Northgate Village Apartments	13,270,000	0.60%	Willow Point Apts.	11,010,000	0.47%
<b>Total</b>	<b>\$ 269,624,100</b>	<b>12.20%</b>		<b>\$ 264,056,000</b>	<b>11.17%</b>

Source: Municipal Tax Assessor

**Burlington Township School District  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 29,222,659	\$ 29,222,659	100.00%	-
2007	30,998,881	30,998,881	100.00%	-
2008	34,641,833	34,641,833	100.00%	-
2009	35,227,628	35,227,628	100.00%	-
2010	35,875,017	35,875,017	100.00%	-
2011	37,297,503	37,297,503	100.00%	-
2012	38,619,163	38,619,163	100.00%	-
2013	39,727,475	39,727,475	100.00%	-
2014	40,996,941	40,996,941	100.00%	-
2015	41,572,474	41,572,474	100.00%	-

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

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

Burlington Township School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2006	\$ 54,678,000	\$ -	\$ -	\$ -	\$ -	\$ 54,678,000	5.69%	2,531
2007	51,983,000	-	-	-	-	51,983,000	5.27%	2,438
2008	49,253,000	-	505,000	-	-	49,758,000	4.89%	2,336
2009	46,363,000	-	255,000	-	-	46,618,000	4.61%	2,185
2010	43,123,000	-	340,852	-	-	43,463,852	4.04%	1,924
2011	39,803,000	-	249,001	-	-	40,052,001	3.58%	1,771
2012	36,230,000	-	152,717	-	-	36,382,717	3.15%	1,610
2013	32,475,000	-	51,772	-	-	32,526,772	2.79%	1,439
2014	28,040,000	-	-	-	-	28,040,000	c	1,237
2015	24,555,000	-	-	-	-	24,555,000	c	c

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

- a Based on Per Capita Income for Burlington County
- b Based on School District Population as of July 1,
- c Not available

**Burlington Township School District**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
*(dollars in thousands, except per capita)*

**Exhibit J-11**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2006	\$ 54,678,000		\$ 54,678,000	2.31%	2,531
2007	51,983,000		51,983,000	2.19%	2,438
2008	49,253,000		49,253,000	2.06%	2,312
2009	46,363,000		46,363,000	1.94%	2,174
2010	43,123,000		43,123,000	1.81%	1,908
2011	39,803,000		39,803,000	1.67%	1,760
2012	36,230,000		36,230,000	1.63%	1,604
2013	32,475,000		32,475,000	1.46%	1,437
2014	28,040,000		28,040,000	1.27%	1,237
2015	24,555,000		24,555,000	1.12%	c

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

**a** See Exhibit J-6 for property tax data.

**b** Population data can be found in Exhibit J-14.

**c** Not available

**Burlington Township School District  
Ratios of Overlapping Governmental Activities Debt  
As of December 31, 2014**

**Exhibit J-12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Burlington	\$ 15,282,471	100.000%	\$ 15,282,471
Burlington County General Obligation Debt	303,216,431	4.897%	14,848,509
Subtotal, overlapping debt			30,130,980
<b>Burlington Township School District Direct Debt</b>			<b>26,920,000</b>
<b>Total direct and overlapping debt</b>			<b>\$ 57,050,980</b>

**Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.**

**Note:** Debt outstanding data provided by each governmental unit.  
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 Burlington. 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.

**a** 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.

**Burlington Township School District  
Legal Debt Margin Information,  
Last Ten Fiscal Years  
(dollars in thousands)**

**Exhibit J-13**

**Legal Debt Margin Calculation for Fiscal Year 2015**

	Equalized valuation basis	
	2014	\$ 2,296,233,674
	2013	2,239,981,242
	2012	2,247,541,585
	<b>[A]</b>	<u>\$ 6,783,756,501</u>
Average equalized valuation of taxable property	<b>[A/3]</b>	\$ 2,261,252,167
Debt limit (4% of average equalized valuation)	<b>[B]</b>	90,450,087 <sup>a</sup>
Net bonded school debt	<b>[C]</b>	24,555,000
Legal debt margin	<b>[B-C]</b>	<u>\$ 65,895,087</u>

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 82,448,192	\$ 94,504,169	\$ 106,981,689	\$ 112,475,672	\$ 113,023,058	\$ 109,495,779	\$ 104,584,802	\$ 98,190,690	\$ 92,645,635	\$ 90,450,087
Total net debt applicable to limit	<u>54,678,000</u>	<u>51,983,000</u>	<u>49,253,000</u>	<u>46,363,000</u>	<u>43,123,000</u>	<u>39,803,000</u>	<u>36,230,000</u>	<u>32,475,000</u>	<u>28,040,000</u>	<u>24,555,000</u>
Legal debt margin	<u>\$ 27,770,192</u>	<u>\$ 42,521,169</u>	<u>\$ 57,728,689</u>	<u>\$ 66,112,672</u>	<u>\$ 69,900,058</u>	<u>\$ 69,692,779</u>	<u>\$ 68,354,802</u>	<u>\$ 65,715,690</u>	<u>\$ 64,605,635</u>	<u>\$ 65,895,087</u>
Total net debt applicable to the limit as a percentage of debt limit	66.32%	55.01%	46.04%	41.22%	38.15%	36.35%	34.64%	33.07%	30.27%	27.15%

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

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Burlington Township School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

**Exhibit J-14**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2006	21,604	\$ 961,788,476	\$ 44,519	4.2%
2007	21,325	987,240,875	46,295	4.2%
2008	21,305	1,017,484,190	47,758	5.1%
2009	21,331	1,010,748,104	47,384	8.9%
2010	22,596	1,075,253,256	47,586	9.4%
2011	22,614	1,118,737,194	49,471	8.5%
2012	22,594	1,155,660,506	51,149	9.5%
2013	22,602	1,167,122,076	51,638	9.5%
2014	22,673	e	e	6.2%
2015	e	e	e	e

**Source:**

- a Population information provided by the NJ Dept of Labor and Workforce Development.
- b Personal income for Burlington County.
- c Per Capita for Burlington County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development.
- e Not available.

**Burlington Township School District  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years**

**Exhibit J-16**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	249	251	268	268	269	270	237	237	236	239
Special education	49	52	67	71	73	72	122	127	115	110
Other special education										
Vocational	-	-								
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	78	78	88	78	81	81	86	97	97	79
School administrative services	37	37	42	37	40	38	33	27	27	27
General and business administrative services	3	3	2	3	3	3	3	3	3	3
Plant operations and maintenance	4	4	5	5	5	5	5	5	5	5
Pupil transportation	11	11	10	12	12	10	11	11	11	11
Business and other support services	11	11	11	10	10	11	8	8	8	7
Special Schools										
Food Service										
Child Care										
Total	<u>442</u>	<u>447</u>	<u>493</u>	<u>484</u>	<u>493</u>	<u>490</u>	<u>505</u>	<u>515</u>	<u>502</u>	<u>481</u>

**Source:** District Personnel Records

Burlington Township School District  
 Operating Statistics,  
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2006	4,112	\$ 44,505,800	\$ 10,823	9.88%	298	18:1	13:1	13:1	4,067	3,889	-1.02%	95.62%
2007	4,199	47,438,630	11,298	4.38%	303	18:1	13:1	13:1	4,182	3,998	1.03%	95.60%
2008	4,164	51,349,127	12,332	9.15%	335	18:1	13:1	13:1	4,179	3,986	-0.71%	95.38%
2009	4,160	53,173,488	12,782	3.65%	339	18:1	13:1	13:1	4,169	3,970	-2.39%	95.23%
2010	4,190	56,808,919	13,558	6.07%	342	18:1	13:1	13:1	4,055	3,867	-2.73%	95.36%
2011	4,097	55,269,677	13,490	-0.50%	342	18:1	13:1	13:1	4,104	3,926	1.21%	95.66%
2012	4,095	57,399,035	14,017	3.91%	359	18:1	13:1	13:1	4,061	3,886	-1.05%	95.69%
2013	4,027	61,115,679	15,176	3.91%	364	18:1	13:1	13:1	4,021	3,835	-0.98%	95.37%
2014	4,032	61,800,862	15,328	1.00%	351	18:1	13:1	13:1	4,043	3,857	0.54%	95.40%
2015	3,985	62,658,194	15,724	2.58%	349	18:1	13:1	13:1	3,994	3,804	-1.21%	95.26%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Burlington Township School District  
 School Building Information  
 Last Ten Fiscal Years

Exhibit J-18

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>District Building</b>										
<b>Elementary</b>										
Bernice Young Elementary (1962)										
Square Feet	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071
Capacity (students)	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	1,088	1,088	1,088	1,035	951	871	892	886	910	896
Springside Elementary (1915)										
Square Feet	22,475	22,475	22,475							
Capacity (students)	238	238	238							
Enrollment	156	156	156							
Fountain Woods Elementary (1999)										
Square Feet	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648
Capacity (students)	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278
Enrollment	1,184	1,184	1,184	956	847	944	884	900	868	881
Thomas O. Hopkins Middle (1970)										
Square Feet	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116
Capacity (students)	597	597	597	597	597	597	597	597	597	597
Enrollment	640	640	640	311	335	334	322	315	328	323
Burlington Township Middle School (2008)										
Square Feet			181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700
Capacity (students)			1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Enrollment				1,029	1,011	1,028	1,003	951	979	912
Burlington High School (1964)										
Square Feet	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125
Capacity (students)	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Enrollment	1,042	1,042	1,042	829	910	927	960	975	958	982
<b>Other</b>										
New Middle School (2007)										
Square Feet	181,700									
Capacity (students)	1,058									
Number of Schools at June 30, 2015										
Elementary = 3										
Middle School = 1										
Senior High School = 1										

Source: District Facilities Office

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

**Burlington Township School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years**

Exhibit J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED  
 MAINTENANCE FOR SCHOOL FACILITIES  
 11-000-261-xxx

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
* School Facilities											
Fountain Woods School	\$ 122,043	\$ 100,891	\$ 96,837	\$ 112,218	\$ 102,135	\$ 130,517	\$ 150,124	\$ 156,914	\$ 167,604	\$ 180,250	\$ 1,319,533
Springside School	45,766	31,789	18,010								95,565
Young School	81,362	70,837	86,709	104,585	103,542	108,764	125,103	130,762	139,670	150,209	1,101,543
Hopkins School	81,362	70,169	64,321	83,149	79,436	87,012	100,082	104,609	111,736	120,167	902,043
Middle School			145,830	160,369	147,527	195,776	225,185	235,371	251,406	270,375	1,633,848
High School	177,981	142,324	135,704	146,653	151,183	203,027	233,526	244,088	260,717	280,389	1,975,592
Total School Facilities	<u>\$ 508,514</u>	<u>\$ 416,011</u>	<u>\$ 547,411</u>	<u>\$ 606,974</u>	<u>\$ 583,823</u>	<u>\$ 725,096</u>	<u>\$ 834,020</u>	<u>\$ 871,744</u>	<u>\$ 931,133</u>	<u>\$ 1,001,390</u>	<u>\$ 7,028,125</u>

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

Source: District records

**Burlington Township School District  
Insurance Schedule  
June 30, 2015**

**Exhibit J-20**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 146,751,009	\$ 1,000
Crime	500,000	250
Commercial General Liability		
General Aggregate Limit	1,000,000/3,000,000	
Abuse or Molestation Liability	1,000,000/3,000,000	
Educators Legal Liability	1,000,000/2,000,000	
Commercial Auto Coverage		
Liability	1,000,000	250
Workers' compensation	Statutory	
Umbrella Liability	15,000,000	10,000
Student Accident Catastrophic	6,000,000	25,000
Student Accident	250,000	
Surety Bonds (2)		
Board Secretary	300,000	

- (1) Utica National Insurance Group  
(2) RLI Insurance Company

Source: District records

**Single Audit Section**

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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-Member of-  
 American Institute of CPAs  
 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
 AS REQUIRED BY OMB CIRCULAR A-133  
 AND STATE OF NEW JERSEY OMB CIRCULAR 04-04 AND/OR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Burlington Township School District  
 County of Burlington  
 Burlington, New Jersey

**Report on Compliance for Each Major Federal and State Program**

I have audited Burlington Township School District (School District), in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2015. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey OMB's Circular 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and State of New Jersey Circular OMB's 04-04 and/or 15-08 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal and state program. However, my audit does not provide a legal determination of the School District's compliance.

### **Opinion on Each Major Federal and State Program**

In my opinion, the Burlington Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the Burlington Township School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey OMB's Circular 04-04 and/or 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Burlington Township's 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the New Jersey OMB's Circular 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by New Jersey OMB 04-04 and/or 15-08**

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Burlington Township School District, in the County of Burlington, State of New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. I have issued my report thereon dated November 27, 2015, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards and the schedules of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
November 27, 2015

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2014			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	June 30, 2015		
					Accounts Receivable	Deferred Revenue	Due to Grantor at					Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>U.S. Department of Education</b>														
<u>General Fund:</u>														
Medical Assistance Program (SEMI)	93.778	N/A	75,505	7/1/14 - 6/30/15	\$ -	\$ -	\$ -	\$ -	\$ 75,505	\$ (75,505)	\$ -	\$ -	\$ -	\$ -
Medical Assistance Program (SEMI-ARRA)	93.778	N/A	21,367	10/1/08-12/31/10					21,368	(21,368)				
<b>Total Special Revenue Fund</b>									<b>96,873</b>	<b>(96,873)</b>				
<u>Special Revenue Fund:</u>														
<u>No Child Left Behind (N.C.L.B.)</u>														
Title I	84.010A	NCLB-0620-15	266,739	7/1/14 - 6/30/15					138,362	(255,785)		(117,423)		
Title I - Prior Year	84.010A	NCLB-0620-14	186,545	7/1/13 - 6/30/14	(66,731)				67,728	(998)	1			
Title IIA	84.367A	NCLB-0620-15	66,432	7/1/14 - 6/30/15					35,810	(60,755)		(24,945)		
Title IIA - Prior Year	84.367A	NCLB-0620-14	64,584	7/1/13 - 6/30/14	(21,083)				29,704	(8,621)				
Title IIA - Two Years Prior	84.367A	NCLB-0620-13	64,910	9/1/12 - 8/31/13	(2,460)				2,460					
Title III	84.365A	NCLB-0620-15	17,635	7/1/14 - 6/30/15					4,452	(8,093)		(3,641)		
Title III - Prior Year	84.365A	NCLB-0620-14	24,208	7/1/13 - 6/30/14	(11,075)				12,236	(1,161)				
Title III - Two Years Prior	84.365A	NCLB-0620-13	22,721	9/1/12 - 8/31/13	(7,550)				7,550					
Title III - Immigrant	84.365A	NCLB-0620-15	18,905	7/1/14 - 6/30/15					1,565	(15,385)		(13,820)		
<u>Individuals With Disabilities Act (I.D.E.A.)</u>														
Part B - Basic	84.027	IDEA-0620-15	853,899	7/1/14 - 6/30/15					563,769	(853,899)		(290,130)		
Part B - Basic - Prior Year	84.027	IDEA-0620-14	805,853	7/1/13 - 6/30/14	(101,478)				101,478					
Part B - Preschool	84.173	IDEA-0620-15	27,437	7/1/14 - 6/30/15					27,437	(27,437)				
Perkins	84.048A	PERK-0620-15	17,749	7/1/14 - 6/30/15					16,552	(17,749)		(1,197)		
Race to the Top - Prior Year	84.413A	RTT3-0620-14	5,688	9/1/11 - 11/30/15	(1,028)				1,028					
<b>Total Special Revenue Fund</b>					<b>(211,405)</b>				<b>1,010,131</b>	<b>(1,249,883)</b>	<b>1</b>	<b>(451,156)</b>		
<b>U.S. Department of Agriculture</b>														
<u>Enterprise Fund:</u>														
Food Distribution Program	10.565	N/A	80,567	9/1/14 - 6/30/15					80,567	(80,567)				
National School Lunch Program	10.555	N/A	424,699	9/1/14 - 6/30/15					349,634	(424,699)		(75,065)		
National School Lunch Program	10.555	N/A	398,690	9/1/13 - 6/30/14	(78,241)				78,241					
National School Breakfast Program	10.553	N/A	74,896	9/1/14 - 6/30/15					59,282	(74,896)		(15,614)		
National School Breakfast Program	10.553	N/A	72,433	9/1/13 - 6/30/14	(16,659)				16,659					
<b>Total Enterprise Fund</b>					<b>(94,900)</b>				<b>584,383</b>	<b>(580,162)</b>		<b>(90,679)</b>		
<b>Total Federal Awards</b>					<b>\$ (306,305)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,691,387</b>	<b>\$ (1,926,918)</b>	<b>\$ 1</b>	<b>\$ (541,835)</b>	<b>\$ -</b>	<b>\$ -</b>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2015

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2014			Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Year Grant	June 30, 2015		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor
<b>State Department of Education</b>													
<b>General Fund:</b>													
Special Education Categorical Aid	15-495-034-5120-089	\$ 2,283,101	7/1/14 - 6/30/15	\$ -	\$ -	\$ -	\$ 2,069,408	\$ (2,283,101)	\$ -	\$ -	\$ (213,693)	\$ -	\$ -
Special Education Categorical Aid	14-495-034-5120-089	2,283,101	7/1/13 - 6/30/14	(210,822)			210,822						
Equalization Aid	15-495-034-5120-078	14,972,792	7/1/14 - 6/30/15				13,571,375	(14,972,792)			(1,401,417)		
Equalization Aid	14-495-034-5120-078	14,972,792	7/1/13 - 6/30/14	(1,382,592)			1,382,592						
Security Aid	15-495-034-5120-084	423,257	7/1/14 - 6/30/15				383,641	(423,257)			(39,616)		
Security Aid	14-495-034-5120-084	423,257	7/1/13 - 6/30/14	(39,084)			39,084						
Under Adequacy Aid	15-495-034-5120-096	34,377	7/1/14 - 6/30/15				31,160	(34,377)			(3,217)		
Under Adequacy Aid	14-495-034-5120-096	34,377	7/1/13 - 6/30/14	(3,174)			3,174						
Transportion Aid	15-495-034-5120-014	707,284	7/1/14 - 6/30/15				641,084	(707,284)			(66,200)		
Transportion Aid	14-495-034-5120-014	707,284	7/1/13 - 6/30/14	(65,311)			65,311						
Reimbursement of Nonpublic Transportation	15-103190	32,163	7/1/14 - 6/30/15					(32,163)			(32,163)		
Reimbursement of Nonpublic Transportation	14-103190	24,042	7/1/13 - 6/30/14	(24,042)			24,042						
Extraordinary Aid	15-495-034-5120-473	554,290	7/1/14 - 6/30/15				586,264	(554,290)			(554,290)		
Extraordinary Aid	14-495-034-5120-473	586,264	7/1/13 - 6/30/14	(580,206)			586,264	(6,058)					
Homeless Tuition Aid	15-495-034-5120-005	323,121	7/1/14 - 6/30/15				323,121	(323,121)					
PARCC Readiness Aid	15-495-034-5120-098	40,040	7/1/14 - 6/30/15				36,292	(40,040)			(3,748)		
Per Pupil Growth Aid	15-495-034-5120-097	40,040	7/1/14 - 6/30/15				36,292	(40,040)			(3,748)		
On Behalf TPAF Pension	15-495-034-5094-006	1,325,336	7/1/14 - 6/30/15				1,325,336	(1,325,336)					
On Behalf TPAF Post Retirement Medical	15-495-034-5094-001	2,103,971	7/1/14 - 6/30/15				2,103,971	(2,103,971)					
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	1,835,691	7/1/14 - 6/30/15				1,745,196	(1,835,691)			(90,495)		
Reimbursed TPAF Social Security Contributions	14-495-034-5094-003	1,841,086	7/1/13 - 6/30/14	(117,139)			117,139						
<b>Total General Fund</b>				<b>(2,422,370)</b>			<b>24,695,304</b>	<b>(24,681,521)</b>			<b>(2,408,587)</b>		
<b>Special Revenue Fund</b>													
<b>NJ Nonpublic Aid:</b>													
Textbook Aid	15-100-034-5120-064	3,456	7/1/14 - 6/30/15				3,456	(3,456)					
Nursing Aid	15-100-034-5120-070	6,545	7/1/14 - 6/30/15				6,545	(6,678)					867
Technology Aid	15-100-034-5120-373	1,856	7/1/14 - 6/30/15				1,856	(1,704)					152
<b>Total Special Revenue Fund</b>							<b>11,857</b>	<b>(10,838)</b>					<b>1,019</b>
<b>New Jersey School Development Authority</b>													
<b>Capital Projects Fund</b>													
High School	0620-010-14-1001	809,471	6/20/14 - 6/30/15	(809,471)							(809,471)		
Thomas O. Hopkins Middle School	0620-025-14-1002	246,036	5/02/14 - 6/30/15	(246,036)							(246,036)		
Middle School	0620-051-14-1005	97,064	5/02/14 - 6/30/15	(97,064)							(97,064)		
Fountain Woods	0620-037-14-1004	74,283	5/02/14 - 6/30/15	(74,283)							(74,283)		
Bernice Young School	0620-030-14-1003	1,104,619	5/02/14 - 6/30/15	(1,104,619)							(1,104,619)		
High School	0620-010-10-1001	77,480	10/13/10 - 6/30/12	(77,480)							(77,480)		
Thomas O. Hopkins Middle School	0620-025-10-1002	84,138	10/13/10 - 6/30/12	(84,138)							(84,138)		
Middle School	0620-051-10-1005	127,652	10/13/10 - 6/30/12	(127,652)							(127,652)		
Fountain Woods	0620-037-10-1004	85,513	10/13/10 - 6/30/12	(85,513)							(85,513)		
Bernice Young School	0620-030-10-1003	96,674	10/13/10 - 6/30/12	(96,974)							(96,974)		
High School	0620-010-09-1001	176,855	6/01/10 - 9/01/12	(176,855)							(176,855)		
Fountain Woods	0620-037-09-1002	43,996	6/01/10 - 9/01/12	(43,996)							(43,996)		
<b>Total Capital Projects Fund</b>				<b>(3,024,081)</b>							<b>(3,024,081)</b>		
<b>Debt Service Fund</b>													
Debt Service Aid Type II	15-495-034-5120-017	973,078	7/1/14 - 6/30/15				973,078	(973,078)					
<b>State Department of Agriculture</b>													
<b>Enterprise Fund:</b>													
State School Lunch Program	15-100-010-3350-023	14,889	7/1/14 - 6/30/15				12,284	(14,889)			(2,605)		
State School Lunch Program	14-100-010-3350-023	13,581	7/1/13 - 6/30/14	(2,690)			2,690						
<b>Total Enterprise Fund</b>				<b>(2,690)</b>			<b>14,974</b>	<b>(14,889)</b>			<b>(2,605)</b>		
<b>Total State Financial Assistance</b>				<b>\$ (5,449,141)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,695,213</b>	<b>\$ (25,680,326)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,435,273)</b>	<b>\$ -</b>	<b>\$ 1,019</b>

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

**Burlington Township School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2015**

**I. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Burlington Township School District. The Board of Education is defined in Note 1 to the School District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

**2. BASIS OF ACCOUNTING**

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

**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 the expenditures have been made.

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$30,656) for the general fund and \$ -0- for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
<b>General Fund</b>	\$ 96,873	\$ 24,650,865	\$ 24,747,738
<b>Special Revenue Fund</b>	1,249,883	10,838	1,260,721
<b>Debt Service Fund</b>		973,078	973,078
<b>Food Service Fund</b>	<u>580,162</u>	<u>14,889</u>	<u>595,051</u>
<b>Total Awards &amp; Financial Assistance</b>	<u>\$ 1,926,918</u>	<u>\$ 25,649,670</u>	<u>\$ 27,576,588</u>

**Burlington Township School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2015**

**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.

**5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the State for the School District's share of social security contributions for TPAF members for the year ended June 30, 2015.

**6. MAJOR PROGRAMS**

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

**7. ADJUSTMENTS**

Amounts reported in the column entitled "Adjustments" represent the following:

	<b>Federal</b>	<b>State</b>
Prior Year Receivable Canceled	\$ <u>1</u>	\$ <u>-</u>



BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**State Awards Section**

Dollar threshold used to distinguish between type A and type B programs: \$770,410

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

1) Material weakness(es) identified?   yes  X  no

2) Significant deficiencies identified that are not considered to be material weakness?   yes  X  none reported

Type of auditor's report on compliance for major programs:  Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 04-04 and/or 15-08 as applicable?   yes  X  no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>15-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>15-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>15-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>15-495-034-5120-017</u>	<u>Debt Service Aid Type II</u>
<u>15-100-010-3350-023</u>	<u>School Lunch Program</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Section 2 -- Schedule of 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.

No findings identified.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04 and/or 15-08, as applicable

**FEDERAL AWARDS:**

No findings and/or questioned costs identified.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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*, USOMB Circular A-133 and NJOMB's Circular 04-04 and/ 15-08, as applicable.

**FINANCIAL STATEMENT FINDINGS**

**Finding #2014-1**

The Fountain Woods and Bernice Young Schools student activity receipts were not deposited promptly.

**Current Status:**

This condition has been corrected.

**FEDERAL AWARDS**

There were no prior year audit findings.

**STATE AWARDS**

There were no prior year audit findings.