

EAST AMWELL TOWNSHIP
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

**EAST AMWELL TOWNSHIP BOARD OF EDUCATION
EAST AMWELL TOWNSHIP, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Prepared by

**EAST AMWELL TOWNSHIP BOARD OF EDUCATION
DEPARTMENT OF ADMINISTRATION**

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INTRODUCTORY SECTION

BOARD OF EDUCATION EAST AMWELL SCHOOL DISTRICT

October 30, 2015

Honorable President and Members
of the East Amwell School District
Hunterdon County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the East Amwell School District for the Fiscal Year ended June 30, 2015 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to 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 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 1996 and the U. S. Office of Management and Budget Circular A-133, "Audits of State, Local Government, and Non-Profit Organizations," and New Jersey OMB's Circular 04-04 and/or 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:**

East Amwell School District is an independent reporting entity within the criteria adopted by the GASB (Governmental Account Standards Board) as established by Statement No. 14. All funds and accounting groups of the District are included in this report. The East Amwell Board of Education and its one school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K-8, including both regular and special education. Enrollment in the integrated preschool program for the 2014-15 school year was 23. Resident enrollment as of June 30, 2015 totaled 393 students.

The following details the changes in student enrollment of the District over the last fifteen years.

<u>FISCAL YEAR</u>	<u>STUDENT ENROLLMENT</u>	<u>% CHANGE</u>
2014-15	393	-6.4%
2013-14	418	-1.5%
2012-13	433	-3.7%
2011-12	450	-7.6%
2010-11	487	-2.8%
2009-10	501	+2.7%
2008-09	488	-.2%
2007-08	489	-1.0%
2006-07	494	+1.6%
2005-06	486	+1.0%
2004-05	481	+2.1%
2003-04	471	-2.5%
2002-03	483	+ .02%
2001-02	475	-.01%
2000-01	480	-3.40%

2. ECONOMIC CONDITION AND OUTLOOK

East Amwell Township is located in southern Hunterdon County and encompasses 28.7 square miles with 47 miles of roads, including the Rt. 31-202 corridor. The Township has a population of 4,013 persons, as reported in the 2010 Census. East Amwell is rural in character, with the Village of Ringoes as its primary population and business center.

The East Amwell Township Elementary School, located on a 32-acre site with outdoor playground equipment and ball fields, is the only school building. The school was constructed in 1938, with additions in 1950, 1963, 1978, 1988, and 1998. With the K-8 organizational structure, the present facility has a functional capacity of 558 students. Two soccer fields on the school property are shared with the Township Recreation Committee.

The school district is governed by a nine member Board of Education elected by the district to serve alternating three-year terms. As of June 30, 2015 the District employed a Superintendent, Principal, Board Secretary/School Business Administrator, 46 full-time certificated, 5 part-time certificated, 21 full-time non-certificated, and 2 part-time non-certificated staff. Hunterdon Central Regional High School provides

transportation for all students, with the exception of some out-of-district placements, which may be provided by the Hunterdon County Education Services Commission.

The future outlook for District financing continues to depend primarily upon the ability and willingness of the Governor and State Legislature to provide funding for education. The availability of tax revenues to the State and its distribution among all New Jersey School Districts, however, will have a profound impact on the education provided to East Amwell students and to the local property taxes.

3. MAJOR INITIATIVES:

Test Results

The students in grades 3-8 took the PARCC assessment in the Spring of 2015. Results should be given to the school district in November 2015.

Professional Development

Professional Development activities in the 2014-15 school year included PARCC, Dyslexia, Google, LinkIt!, NGSS, Google apps, PlanbookEDU and Right-to-Know, These activities were conducted in response to staff surveys assessing professional development needs. In addition to the requested topics, staff participated in mandatory training through consultants and web-based offerings.

Synergistics

The Synergistics Learning system is a technology-assisted learning system divided into workstations where pairs of students explore a variety of content areas providing multi-sensory experiences through audio, video, software, text, and hands-on activities. Modules include Career Exploration, Podcasting, CSI (Crime Scene Investigation), Design Challenge, Mechanical Drawing, Film, Photography, Garage Band, Bridge Building, Solar Cars, Flight Technology, and Personal Finance. Synergistics, located in the Technology Lab, provides a well-balanced program for a broad range of student interests as well as an introduction to the applied technology program at Hunterdon Central High School.

21st Century Classroom

In order for students to be prepared for a more complex life and work environment, a 21st century classroom must promote creativity, critical thinking, communication, and collaboration. Technology tools that allow students to create with video, audio, text, and images provide an opportunity to build higher-order thinking skills.

Authoring multimedia content requires students to:

- Employ creativity and innovation as they develop, implement, and communicate ideas and demonstrate originality and inventiveness;

- Be critical thinkers and problem solvers as they frame, analyze, and synthesize information to solve problems and answer questions;
- Communicate and collaborate as they articulate thoughts and ideas clearly and effectively and share responsibility for collaborative work.
- Build information, media, and technology skills in context

According to the Partnership for 21st Century Skills, students must have a “range of functional and critical thinking skills related to information, media and technology” to succeed in a 21st century marketplace.

Using a creative technology tool, students learn to manage information as they develop podcasts, online storybooks, videos, and Flash animations, becoming media producers, not just consumers.

To be successful in the 21st century, students must be able to work without supervision, in diverse groups, and be productive members of society. Project learning increases student’s capacity for self-directed learning, collaboration, and social interaction.

Collaborating on technology projects encourages students to become self-directed learners and builds leadership, responsibility, as well as social and cultural-awareness.

East Amwell School’s 21st Century Classrooms are built on a fiber backbone network delivering fast internet and data access to every student and staff member. Each classroom is uniformly equipped with Epson smart board technology embedded with a robust Aerohive Wireless network providing seamless connectivity for students and staff.

Each student has access to their own personal learning device for use in the classroom. iPads are used in Pre-K through 2nd grade while Chrome Books, supported by Google Classroom are used in 3rd grade through 8th grade.

Each staff member has been issued iPads and Dell Laptops for connectivity to classroom smart technology providing unique interaction with students in the delivery of Core Standard lesson. All teachers use Google Sites as a simple and clear format of communicating with school families. Homework, activities and a calendar are maintained by staff using Sites. Their personal homepage will enable better communicating, allowing for high achievement of students. PlanbookEDU is used by the teaching staff for the creation of lesson plans that can be shared with administrators. IEP Direct is used by the Child Study Team to create, sustain and monitor student IEPs for better success in the classroom.

The school website, which can be translated into many different languages, also provides tremendous communication between the school district, staff members and families. Blackboard Connect is used for daily blasts of information through email, text and phone as well as to provide emergency notices, such as school closings due to inclement weather, when needed.

The Library/Media Center is equipped with DESTINY, a complete library automation solution accessible from five networked student/teacher workstations. PC

student work stations provide further access to the Internet and resources such as World Book Online, MS Office Suite, and search engines such as EPSCO Host. The regional high school uses the same solution increasing compatibility between resources.

The Computer Lab, located in the Media Center, consists of 25 windows based desktop computers. Each computer is networked, internet ready and is imaged with MS Office Suite, Chrome and Google Docs.

A state of the art TV studio has become part of the technology enrichment, where morning announcements are broadcasted by students every morning.

Student Information System

Genesis is the district's student information system providing much needed data to staff members and families. Progress Reports, report cards and daily assignments all can be viewed through the Family Portal creating well defined lines of communication between all invested parties.

Network Administration

Computer systems analysis/design, remote access support for data servers, and high-level technical support for both PC and Mac platforms were provided by an outside vendor. This support is supplemented and coordinated on-site by a part-time District Technology Coordinator. The Three-Year Technology Plan is reviewed and updated annually.

Long-Range Facilities Plan

The 2005 Long Range Facilities Plan included enrollment projections that verified the existing functional capacity of 558 and classified the facility "In Good Condition." The plan is updated on an as-needed basis.

4. INTERNAL ACCOUNT 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 principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure

compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5. BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END:

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund and Special Revenue Fund revenues for the fiscal year ended June 30, 2015 and the amount and percentage of increases in relation to prior year revenues.

REVENUE	AMOUNT	Percentage of Total	INC (DEC) FROM Prior Year	Percentage Increase Decrease
LOCAL SOURCES:				
Tax Levy:				
General	\$6,649,944	73.56%	\$98,275	1.50 %
Debt Service	215,950	2.39%	(1,563)	-0.72%
Other Revenues	366,541	4.05%	34,732	10.47%
STATE AID	1,647,030	18.22%	245,243	17.50%
FEDERAL AID	<u>160,745</u>	<u>1.78%</u>	<u>(21,414)</u>	-11.76%
TOTAL	<u>\$9,040,210</u>	<u>100.00%</u>	<u>\$ 355,273</u>	4.09%

The following schedule presents a summary of General Fund and Special Revenue Fund expenditures for the fiscal year ended June 30, 2015 and the percentage of increases and decreases in relation to the prior year amounts.

EXPENDITURES	AMOUNT	Percentage Of Total	INC (DEC) From Prior Year	Percentage of Increase (Decrease)
Current Expense	\$7,978,760	95.35%	(393,014)	-1.15%
Capital Outlay	11,390	.14%	(163,795)	-93.50%
Special Projects	161,467	1.93%	(22,227)	-12.10%
Debt Service				
Principal	180,000	2.15%	5,000	2.86%
Interest	<u>35,950</u>	<u>.43%</u>	<u>(6,563)</u>	-15.44%
Total	<u>\$8,367,567</u>	<u>100.00%</u>	<u>\$ 205,429</u>	-2.52%

Notes: Excludes lease purchase acquisitions and Capital Projects.

8. DEBT ADMINISTRATION:

The district issued bank qualified (callable) 20-year bonds totaling \$2,745,000 aggregate principal in January, 1998 at the per annum interest rate of 4.90%. Principal payment dates began January 15, 1999 and interest payment dates began in July. In April 2007, the balance of the bonds of \$1,885,000 was refinanced resulting in an aggregate budgetary savings of \$71,917.92. Principal payment dates continue each January 15 until maturity on January 15, 2018 or earlier redemption. Interest payment dates continue each January 15 and July 15 until maturity on January 15, 2018 or earlier redemption.

9. CASH MANAGEMENT:

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements," Notes 1 and 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT:

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

11. OTHER INFORMATION:

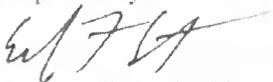
Independent Audit

State statute requires an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of William M. Colantano, Jr., CPA, PSA, RMA was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08. The auditor's report on the general purpose financial statements and combined and individual fund statements schedules 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.

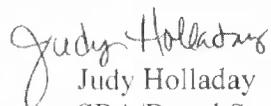
12. ACKNOWLEDGEMENTS:

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

Respectfully submitted,

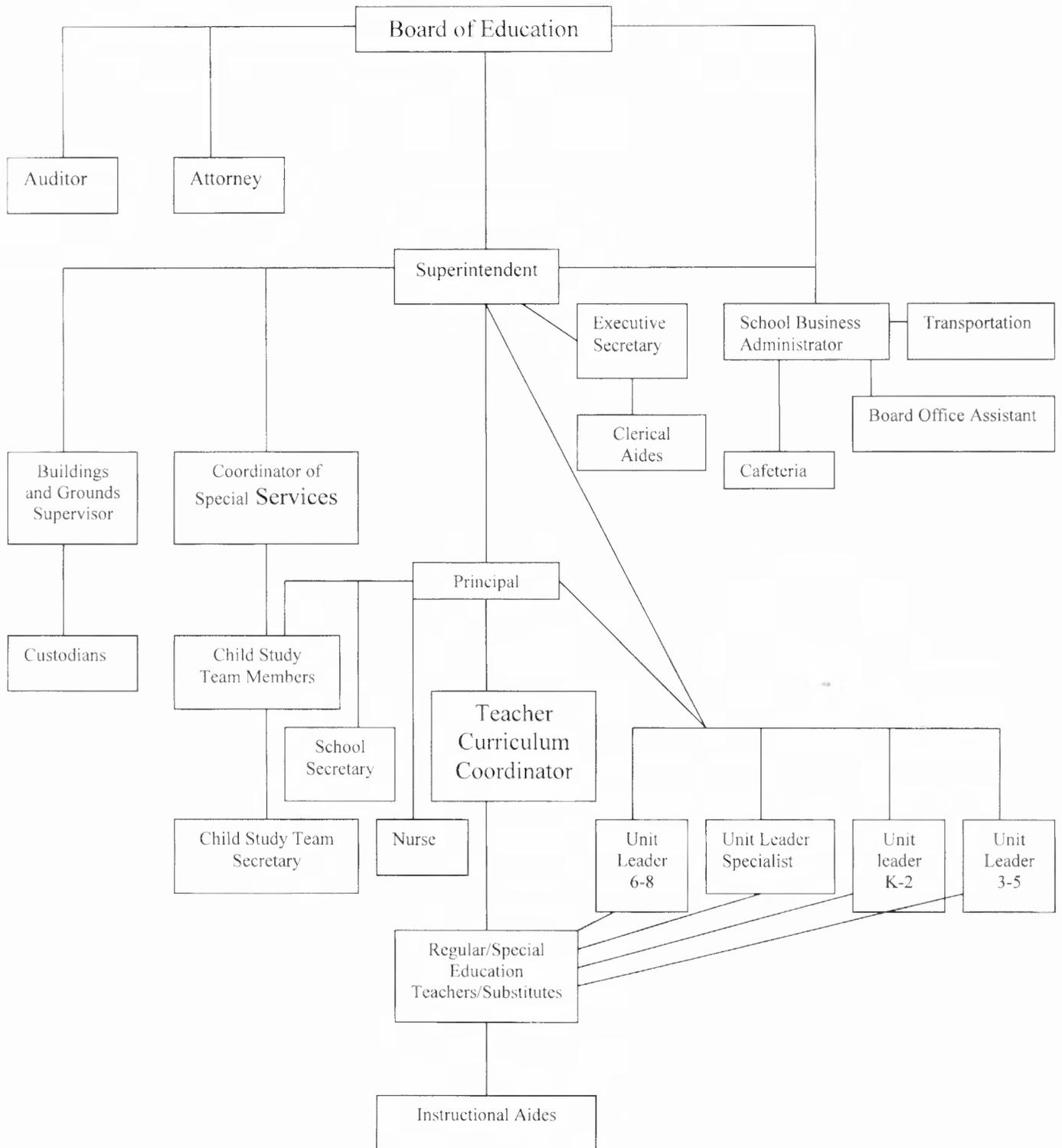


Edward F. Stoloski
Superintendent



Judy Holladay
SBA/Board Secretary

1110 ORGANIZATIONAL CHART



EAST AMWELL TOWNSHIP BOARD OF EDUCATION
 43 WERTSVILLE ROAD, PO BOX 680
 RINGOES, NJ 08551
 JUNE 30, 2015

ROSTER OF OFFICIALS

<u>Members of the Board of Education</u>		<u>Term Expires</u>
Charles Miles Jr.	President	2016
Anne Kenyon	Vice President	2015
Carole Ammann		2017
John Bedard		2017
Daniel Connelly		2017
Doreen Kraycirik		2017
Carole McGee		2015
Charles Miller		2016
Kimberly Williard		2015
 <u>Other Officials</u>		
Edward Stoloski	Superintendent	
Judy Holladay	Board Secretary/School Business Administrator	

EAST AMWELL TOWNSHIP BOARD OF EDUCATION
JUNE 30, 2015

CONSULTANTS AND ADVISORS

AUDIT FIRM

William M. Colantano, Jr.
Certified Public Accountant
100 Route 31 North
Washington, NJ 07882-1530

ATTORNEY

Fogarty & Hara
Counselors at Law
16-00 Route 208 South
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Hopewell Valley Bank

FINANCIAL SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
Fax # (908) 689-8388
(908) 689-5002

INDEPENDENT AUDITOR'S REPORT

October 30, 2015

Honorable President and
Members of the Board of Education
East Amwell Township School District
County of Hunterdon, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the East Amwell Township School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Board'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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 entity'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 entity's internal control. Accordingly, we 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.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, 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.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates 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 our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 30, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

REQUIRED SUPPLEMENTARY INFORMATION-PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

The discussion and analysis of East Amwell Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- In total, net position increased \$1,131,198, which represents a 55.77 percent increase from 2014.
- General revenues accounted for \$9,605,693 in revenue or 90.37 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for or \$1,023,820 or 9.63 percent to total revenues of \$10,629,513. Due to the sharing of services of the Child Study Team, the Superintendent, and the Business Administrator with the Milford Board of Education, the District experienced a savings of approximately \$80,000. Additionally, unanticipated tuition students were received. The District has continued to enjoy the benefits received from local grants, including Exxon Mobile, who provided funds toward the furthering of science, technology and math programs. Unanticipated extraordinary aid funded special education school tuition for a student sent out of district.
- Total assets of governmental activities increased by \$1,026,663 as cash and cash equivalents increased by \$188,546, receivables and other assets increased by \$354,876 and capital assets increased by \$483,241.
- The School District had \$9,498,315 in expenses; only \$612,520 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$9,605,693 were adequate to provide for these programs.
- Among major funds, the General Fund had \$8,662,793 in revenues and \$7,990,150 in expenditures and other financing uses of \$691,543. The General Fund's balance decreased \$18,900 from 2014. This decrease was anticipated by the Board of Education. It is a result of a withdrawal from Capital Reserve of \$675,543 for a front entrance building addition and security vestibule project. A transfer of \$515,000 to Capital Reserve was made for future projects. At year end, the balance of the capital reserve account was \$717,450.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand East Amwell Township School District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the school district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
EAST AMWELL TOWNSHIP

11.1

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

spending. The fund financial statements also look at the school district's most significant funds with all other non-major funds presented in total in one column. In the case of East Amwell Township school district, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

While this document contains several funds used by the School District to provide programs and activities, the view of the school district as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the school district's net position and changes in position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the school district has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the school district's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the school district reports governmental activities and business-type activities.

- Governmental activities are the activities where most of the school district's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type activity is a service that is provided on a charge for goods or services basis to recover the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the school district's major funds. The school district uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the school district's most significant funds. The school district's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The school district's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the school district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

The Statement of Net Position provides the perspective of the school district as a whole.

Table 1 provides a summary of the school district's net position for 2015 compared to 2014.

Table 1				
Net Position				
	6/30/15	6/30/14	Variance	
			Dollars	%
ASSETS				
Current & Other Assets	\$ 2,657,542	\$ 2,107,759	\$ 549,783	26.08
Capital Assets	3,547,065	3,052,268	494,797	16.21
Total Assets	<u>6,204,607</u>	<u>5,160,027</u>	<u>1,044,580</u>	20.24
Deferred Outflows on Deferred Pension Activity	132,342	76,404	55,938	73.21
LIABILITIES				
Long-Term Liabilities	2,769,642	3,113,821	(344,179)	(11.05)
Other Liabilities	178,128	94,241	83,887	89.01
Total Liabilities	<u>2,947,770</u>	<u>3,208,062</u>	<u>(260,292)</u>	(8.11)
Deferred Inflows on Deferred Pension Activity	229,612	-	229,612	*
NET POSITION				
Net Investment in Capital Assets	2,937,065	2,262,268	674,797	29.83
Restricted	2,036,753	1,481,079	555,674	37.52
Unrestricted	(1,814,251)	(1,714,978)	(99,273)	5.79
Total Net Position	<u>\$ 3,159,567</u>	<u>\$ 2,028,369</u>	<u>\$ 1,131,198</u>	55.77

* = Undefined

Total assets increased \$1,044,580. Cash and cash equivalents increased by \$193,502, receivables and other assets increased by \$356,281 and capital assets increased by \$494,797. Unrestricted net assets, the part of net assets that can be used to finance day-to-day activities without constraints

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
EAST AMWELL TOWNSHIP

11.3

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

established by grants or legal requirements, of the school district decreased by \$99,273 due to capital project transactions.

The negative balance in unrestricted net assets is not a negative reflection on the District's financial condition, but is the result of reporting required by GASB Statement No. 68 Accounting and Financial Reporting for Pensions which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

Table 2 provides a summary of the District's changes in net position in fiscal year 2015 with comparisons to fiscal year 2014.

Table 2
Changes in Net Position

	Fiscal Year Ending		Variance	
	6/30/15	6/30/14	Dollars	%
Revenues				
Program Revenues:				
Charges for Services	\$ 408,260	\$ 477,201	\$ (68,941)	(14.45)
Operating Grants	204,260	219,694	(15,434)	(7.03)
Capital Grants	411,300		411,300	*
General Revenues:				
Property Taxes	6,865,894	6,769,182	96,712	1.43
Unrestricted Grants	2,713,850	1,401,575	1,312,275	93.63
Other	25,949	20,557	5,392	26.23
Total Revenues	<u>10,629,513</u>	<u>8,888,209</u>	<u>1,741,304</u>	19.59
Program Expenses				
Instruction:				
Regular	4,392,107	3,601,495	790,612	21.95
Special	1,239,724	953,478	286,246	30.02
Other	91,954	184,343	(92,389)	(50.12)
Support Services:				
Tuition	75,555	41,300	34,255	82.94
Student & Instructional Staff	1,524,577	1,214,838	309,739	25.50
General & Business Administration	641,568	621,351	20,217	3.25
School Administration	247,784	235,075	12,709	5.41
Maintenance	737,910	777,315	(39,405)	(5.07)
Transportation	408,896	386,857	22,039	5.70
Food Service	109,014	108,591	423	0.39
Interest on Long-Term Debt	29,226	40,688	(11,462)	(10.56)
Total Expenses	<u>9,498,315</u>	<u>8,165,331</u>	<u>1,332,984</u>	16.32
Increase (Decrease) in Net Position	<u>\$ 1,131,198</u>	<u>\$ 722,878</u>	<u>\$ 408,320</u>	56.49

* = Undefined

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
EAST AMWELL TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the school district operations. Property taxes made up 64.59 percent of revenues for governmental activities for the East Amwell School district for fiscal year 2015.

Instruction comprises 60.26 percent of district expenses. Support services expenses comprise 39.74 percent of the expenses. The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

**Table 3
Cost of Governmental Services**

	Total Cost of Services		Net Cost of Services	
	6/30/15	6/30/14	6/30/15	6/30/14
Instruction	\$ 5,723,785	\$ 4,739,316	\$ 5,070,817	\$ 4,339,864
Support Services:				
Tuition	75,555	41,300	75,555	41,300
Student & Instructional Staff	1,524,577	1,214,838	1,381,559	1,107,800
General & Business Administration	641,568	621,351	544,625	545,358
School Administration	247,784	235,075	233,923	235,075
Plant Operations & Maintenance	737,910	777,315	732,044	771,612
Pupil Transportation	408,896	386,857	408,896	386,857
Food Service	109,014	108,591	(2,150)	(118)
Interest on Long-Term Debt	29,226	40,688	29,226	40,688
Total Expenses	<u>\$ 9,498,315</u>	<u>\$ 8,165,331</u>	<u>\$ 8,474,495</u>	<u>\$ 7,468,436</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

General administration, school administration and business include expenses associated with administrative and financial supervision of the district.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as, to and from school activities, as provided by state law.

Extracurricular activities include expenses related to student activities provided by the school district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the school district.

The dependence upon tax revenues is apparent. For all activities local tax revenue support is 71.80 percent. The community, as a whole, is the primary support for the East Amwell Township School District.

The School District's Funds

Information about the school district's major funds starts in the section entitled fund financial statements. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$9,451,510 and expenditures of \$8,995,894. The net positive change in fund balance for the year was most significant in the Capital Projects Fund, an increase of \$474,516.

General Fund Budgeting Highlights

The School district's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal 2015 year, the school district amended its General Fund budget as needed. The school district uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenues were \$177,229 over original budgeted estimates of \$7,710,370. The difference can be attributed to excess tuition revenue for special needs students brought into the district, additional Pre-K parent paid tuition, unanticipated extraordinary and other state aid, and other miscellaneous unanticipated revenues.

The cafeteria service is currently managed by a food service company. The food service operation realized a net profit of \$2,169 in fiscal year 2015.

Capital Assets

At the end of the fiscal year 2015 the school district had \$3,547,065 invested in land, buildings, furniture and equipment, and vehicles.

Table 4 provides a summary of the School District's capital assets net of depreciation at 6/30/15 with comparisons to 6/30/14.

Table 4
Capital Assets at Year-end (Net of Depreciation)

	6/30/15	6/30/14	Variance	
			Dollars	%
Land	\$ 462,026	\$ 462,026		
Construction in Progress	677,299	64,972	\$ 612,327	942.45
Land Improvements	52,584	58,685	(6,101)	(10.40)
Buildings & Improvements	2,211,130	2,324,387	(113,257)	(4.87)
Furniture & Equipment	144,026	142,198	1,828	1.29
Total	\$ 3,547,065	\$ 3,052,268	\$ 494,797	16.21

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

Overall capital assets increased \$494,797 from fiscal year 2014 to fiscal year 2015. Increases in capital assets were offset by depreciation expenses for the year.

Debt Administration

At June 30, 2015, the school district had \$2,769,642 in long-term liabilities. Of this amount \$389,269 is for compensated absences, \$16,960 is for unamortized bond premiums, \$1,753,413 is for PERS net pension liability, and the balance \$610,000 is for bonds for school construction.

At June 30, 2015, the school district's overall legal debt margin was \$22,073,297 and the unvoted debt margin was \$21,463,297.

Table 5
Long-Term Liabilities at Year-end

	6/30/15	6/30/14	Variance	
			Dollars	%
General Obligation Bonds	\$ 610,000	\$ 790,000	(180,000)	(22.78)
Compensated Absences	389,269	364,636	24,633	6.76
Unamortized Bond Premiums	16,960	21,200	(4,240)	(20.00)
PERS Net Pension Liability	1,753,413	1,937,985	(184,572)	(9.52)
	<u>\$ 2,769,642</u>	<u>\$ 3,113,821</u>	<u>\$ (344,179)</u>	<u>(11.05)</u>

For the Future

The East Amwell Township School District is in very good financial condition. East Amwell Township is primarily a residential community, with very few ratables. The financial burden, therefore, is focused on homeowners. While the District chose to move their Board election to November, tax levy increases have been held below the 2% allowable cap.

Concerns include not only the increased reliance on local property taxes and increasing costs for special education students, but also the safety and security of our students. Over the past few years, reserves have accumulated and we will be able to address some of our facility needs with these funds.

The East Amwell Township School District has committed itself to financial excellence for many years. The school district plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it receives. If you have questions about this report or need additional information, contact Judy Holladay, School Business Administrator/Board Secretary at East Amwell Township Board of Education, 43 Wertsville Road, Ringoes, NJ 08551 or email at jholladay@eastamwell.org.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Govern- mental Activities	Business- Type Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 228,555	\$ 5,945	\$ 234,500
Investments	252,658		252,658
Receivables, Net	469,722	2,493	472,215
Internal Balances	600		600
Inventory		2,559	2,559
Restricted Assets:			
Capital Reserve Account-Cash	717,450		717,450
Maintenance Reserve Account-Cash	175,000		175,000
Emergency Reserve Account-Cash	75,300		75,300
Capital Projects Fund-Cash	727,260		727,260
Capital Assets, Net (Note 4):			
Land and Construction in Progress	1,139,325		1,139,325
Other Capital Assets, Net of Depreciation	2,392,158	15,582	2,407,740
Total Assets	<u>6,178,028</u>	<u>26,579</u>	<u>6,204,607</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	<u>132,342</u>	<u>-</u>	<u>132,342</u>
LIABILITIES			
Accounts Payable	105,459		105,459
Accrued Interest	12,810		12,810
Unearned Revenue	58,246	1,613	59,859
Long-Term Liabilities (Note 5):			
Due Within One Year	207,170		207,170
Due Beyond One Year	2,562,472		2,562,472
Total Liabilities	<u>2,946,157</u>	<u>1,613</u>	<u>2,947,770</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	<u>229,612</u>	<u>-</u>	<u>229,612</u>
NET POSITION			
Net Investment in Capital Assets	2,921,483	15,582	2,937,065
Restricted For:			
Capital Reserve	717,450		717,450
Maintenance Reserve	175,000		175,000
Emergency Reserve	75,300		75,300
Capital Projects Fund	1,069,003		1,069,003
Unrestricted	<u>(1,823,635)</u>	<u>9,384</u>	<u>(1,814,251)</u>
TOTAL NET POSITION	<u>\$ 3,134,601</u>	<u>\$ 24,966</u>	<u>\$ 3,159,567</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 2,624,127	\$ 1,767,980	\$ 85,288	\$ 25,589	\$ 213,137	\$ (4,068,093)		\$ (4,068,093)
Special Education	708,345	403,866	170,183	69,987	57,582	(814,459)		(814,459)
Other Special Instruction	80,171	47,342		17,301	6,498	(103,714)		(103,714)
Other Instruction	89,547	2,407			7,403	(84,551)		(84,551)
Support Services:								
Tuition	75,555					(75,555)		(75,555)
Students & Instruction Related Services	939,090	585,487	18,132	48,590	76,296	(1,381,559)		(1,381,559)
General & Business Administration Services	449,388	192,180	60,420		36,523	(544,625)		(544,625)
School Administration Services	170,559	77,225			13,861	(233,923)		(233,923)
Plant Operations & Maintenance	649,605	88,305	5,866			(732,044)		(732,044)
Pupil Transportation	408,896					(408,896)		(408,896)
Interest on Long-Term Debt	29,226					(29,226)		(29,226)
Total Governmental Activities	6,224,509	3,164,792	339,889	161,467	411,300	(8,476,645)	\$ -	(8,476,645)
Business-Type Activities:								
Food Service	109,014		68,371	42,793			2,150	2,150
Total Business-Type Activities	109,014	-	68,371	42,793	-	-	2,150	2,150
Total Primary Government	\$ 6,333,523	\$ 3,164,792	\$ 408,260	\$ 204,260	\$ 411,300	(8,476,645)	2,150	(8,474,495)
			General Revenues, Transfers & Special Items					
			Property Taxes Levied for General Purposes			6,649,944		6,649,944
			Property Taxes Levied for Debt Service			215,950		215,950
			Federal & State Aid Not Restricted			2,713,850		2,713,850
			Investment Earnings			7,594	19	7,613
			Miscellaneous Income			18,336		18,336
			Transfers			(16,000)	16,000	
			Total General Revenues and Special Items			9,589,674	16,019	9,605,693
			Change in Net Position			1,113,029	18,169	1,131,198
			Net Position-Beginning			2,021,572	6,797	2,028,369
			Net Position-Ending			\$ 3,134,601	\$ 24,966	\$ 3,159,567

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Govern- mental Funds
ASSETS					
Cash & Cash Equivalents	\$ 223,654	\$ 4,901			\$ 228,555
Investments	252,658				252,658
Receivables from Other Governments:					
State	38,382		\$ 370,170		408,552
Federal		47,661			47,661
Local	11,396				11,396
Due from Other Funds	600				600
Other Receivables	2,113				2,113
Restricted Cash & Equivalents	967,750		727,260		1,695,010
TOTAL ASSETS	\$ 1,496,553	\$ 52,562	\$ 1,097,430	\$ -	\$ 2,646,545
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 71,136	\$ 5,896	\$ 3,182		\$ 80,214
Retained Percentage due to Contractors			25,245		25,245
Unearned Revenue	11,580	46,666			58,246
Total Liabilities	82,716	52,562	28,427	\$ -	163,705

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Govern- mental Funds
LIABILITIES AND FUND BALANCES (Cont'd)					
Fund Balances:					
Restricted Fund Balance:					
Excess Surplus	\$ 103,303				\$ 103,303
Excess Surplus-Designated for Subsequent Year's Expenditures	121,281				121,281
Capital Projects Fund			\$ 1,069,003		1,069,003
Committed Fund Balance:					
Capital Reserve Account	717,450				717,450
Maintenance Reserve Account	175,000				175,000
Emergency Reserve Account	75,300				75,300
Assigned Fund Balance:					
Year-End Encumbrances	30,798				30,798
Unassigned Fund Balance	190,705				190,705
Total Fund Balances	<u>1,413,837</u>	<u>\$ -</u>	<u>1,069,003</u>	<u>\$ -</u>	<u>2,482,840</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,496,553</u>	<u>\$ 52,562</u>	<u>\$ 1,097,430</u>	<u>\$ -</u>	

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

Capital assets used in government activities are not financial resources & therefore
are not reported in the funds. The cost of the assets is
and the accumulated depreciation is

\$ 7,093,837
3,562,354

3,531,483

Deferred outflows and inflows of resources related to pensions are applicable to future periods and
therefore, are not reported in the funds

(97,270)

Long-term liabilities, including bonds payable, are not due & payable in the current period
& therefore are not reported as liabilities in the funds

(2,769,642)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as
an expenditure when due

(12,810)

Total Net Position of Governmental Activities

\$ 3,134,601

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL 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 Govern- mental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 6,649,944			\$ 215,950	\$ 6,865,894
Tuition Charges-Individuals	85,288				85,288
Tuition Charges-Other LEAs	170,183				170,183
Interest on Investments	7,594				7,594
Miscellaneous	102,754	\$ 722			103,476
Total	7,015,763	722	\$ -	215,950	7,232,435
State Sources	1,647,030		411,300		2,058,330
Federal Sources		160,745			160,745
Total Revenues	8,662,793	161,467	411,300	215,950	9,451,510
EXPENDITURES					
Current:					
Instructional:					
Regular Instruction	2,598,538	25,589			2,624,127
Special Education Instruction	638,358	69,987			708,345
Other Special Instruction	62,870	17,301			80,171
Other Instruction	89,547				89,547
Support Service & Undistributed Costs:					
Tuition	75,555				75,555
Student & Instruction Related Services	890,500	48,590			939,090
General & Business Administrative Services	449,388				449,388
School Administrative Services	170,559				170,559
Plant Operations & Maintenance	649,605				649,605
Pupil Transportation	408,896				408,896
Unallocated Benefits	1,944,944				1,944,944

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Govern- mental Funds
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 10,207		\$ 612,327		\$ 622,534
Debt Service:					
Principal				\$ 180,000	180,000
Interest & Other Charges	1,183			35,950	37,133
Total Expenditures	<u>7,990,150</u>	<u>\$ 161,467</u>	<u>612,327</u>	<u>215,950</u>	<u>8,979,894</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>672,643</u>	<u>-</u>	<u>(201,027)</u>	<u>-</u>	<u>471,616</u>
Other Financing Sources (Uses):					
Transfers In			675,543		675,543
Transfers (Out)	(691,543)				(691,543)
Total Other Financing Sources (Uses)	<u>(691,543)</u>	<u>-</u>	<u>675,543</u>	<u>-</u>	<u>(16,000)</u>
Net Change in Fund Balance	(18,900)	-	474,516	-	455,616
Fund Balances, July 1	<u>1,432,737</u>	<u>-</u>	<u>594,487</u>	<u>-</u>	<u>2,027,224</u>
Fund Balances, June 30	<u>\$ 1,413,837</u>	<u>\$ -</u>	<u>\$ 1,069,003</u>	<u>\$ -</u>	<u>\$ 2,482,840</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL 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 Changes in Fund Balances-Governmental Fund (from B-2)	\$	455,616
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which capital outlay exceeds depreciation in the period:		
Capital Outlays	\$	622,534
Depreciation Expense		<u>(139,293)</u>
		483,241
Repayment of debt principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and are not reported in the statement of activities:		
Bond Principal Payments		180,000
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 a reconciling item.		
		3,667
Governmental funds report the effect of bond issue premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:		
Amortization of Bond Premium		4,240
Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense		
		10,898
In the statement of activities, compensated absences & early retirement benefits 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>(24,633)</u>
Change in Net Position of Governmental Activities	\$	<u>1,113,029</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	<u>Food Service Fund</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 5,945
Receivables from Other Governments:	
State	91
Federal	2,402
Inventory	2,559
Total Current Assets	<u>10,997</u>
Noncurrent Assets:	
Capital Assets	34,294
Less: Accumulated Depreciation	<u>(18,712)</u>
Total Noncurrent Assets	<u>15,582</u>
Total Assets	<u>26,579</u>
LIABILITIES	
Current Liabilities:	
Unearned Revenues	<u>1,613</u>
Total Liabilities	<u>1,613</u>
NET POSITION	
Net Investment in Capital Assets	15,582
Unrestricted	<u>9,384</u>
TOTAL NET POSITION	<u>\$ 24,966</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 49,107
Daily Sales-Nonreimbursable Programs	19,264
Total Operating Revenues	68,371
Operating Expenses:	
Cost of Sales-Reimbursable Programs	34,182
Cost of Sales-Nonreimbursable Programs	13,293
Salaries	37,502
Employee Benefits	5,671
Purchased Property Services (Repairs)	1,279
Insurance	3,522
Management Fee	7,547
Other Purchased Services	2,030
Supplies and Materials	3,295
Miscellaneous	42
Depreciation	651
Total Operating Expenses	109,014
Operating Income (Loss)	(40,643)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,161
Federal Sources:	
National School Lunch Program	30,130
Food Donation Program	11,502
Interest Earned on Investments	19
Total Nonoperating Revenues (Expenses)	42,812
Other Financing Sources:	
Operating Transfer In	16,000
Change in Net Position	18,169
Net Position, Beginning	6,797
Net Position, Ending	\$ 24,966

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 68,371
Payments to Food Service Management Co	(95,298)
Payments to Vendors (Net)	(2,139)
Interfund Activity	(1,000)
Net Cash Provided by (Used For) Operating Activities	(30,066)
Cash Flows from Noncapital Financing Activities:	
State Sources	1,240
Federal Sources	29,970
Operating Transfer In	16,000
Net Cash Provided by (Used For) Noncapital Financing Activities	47,210
Cash Flows from Capital Financing Activities:	
Acquisition of Equipment	(12,207)
Net Cash Provided by (Used For) Capital Financing Activities	(12,207)
Cash Flows from Investing Activities:	
Interest Earned on Investments	19
Net Cash Provided by (Used For) Investing Activities	19
Net Increase (Decrease) in Cash and Cash Equivalents	4,956
Cash and Cash Equivalents, Beginning	989
Cash and Cash Equivalents, Ending	\$ 5,945
Reconciliation of Operating Income (Loss) to Net Cash Provide by (Used For)	
Operating Activities:	
Operating Income (Loss)	\$ (40,643)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	651
Federal Food Donation Program	11,502
(Increase) Decrease in Inventory	(324)
Increase (Decrease) in Accounts Payable	(17)
Increase (Decrease) in Unearned Revenue	(235)
Increase (Decrease) in Due to Other Funds	(1,000)
Net Cash Provided by (Used For) Operating Activities	\$ (30,066)

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

	Unemployment Compensation Fund	Student Activities Agency Fund	Payroll Agency Fund
ASSETS			
Cash & Cash Equivalents	\$ 123,282	\$ 25,350	\$ 42,627
Due from Other Funds	2,972		
TOTAL ASSETS	<u>126,254</u>	<u>25,350</u>	<u>42,627</u>
LIABILITIES			
Due to Other Funds			3,572
Payroll Deductions & Withholdings			39,055
Due to Student Groups		25,350	
TOTAL LIABILITIES	<u>-</u>	<u>\$ 25,350</u>	<u>\$ 42,627</u>
NET POSITION			
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 126,254</u>		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Unemployment Compensation Fund
ADDITIONS	
Contributions:	
Employee Withholdings	\$ 8,026
Investment Earnings-Interest	237
Total Additions	8,263
DEDUCTIONS	
Unemployment Claims	-
Change in Net Position	8,263
Net Position, Beginning of the Year	117,991
Net Position, End of the Year	\$ 126,254

NOTES TO FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the East Amwell Township School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local 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 accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts overall financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting Entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the district is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2015 of 393 students.

The primary criterion for including activities within the District's reporting entity as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

1. The organization is legally separate (can sue or be sued in their own name.)
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/ burden on the District.
6. There is a fiscal dependency by the organization on the District.

Based on the aforementioned criteria, the District has no component units.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and post employment healthcare benefits, are recorded only when payment is due.

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, as they are needed.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the 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 noninstructional equipment, which are classified in the Capital Outlay sub fund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are 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 the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Additionally, the District reports the following fund types:

Proprietary Fund Types

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

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

The District's Enterprise Fund is comprised of the Food Service Fund.

All proprietary funds are accounted for on a current financial resources measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

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 & Vehicles	4 Years
Heavy Trucks & Vehicles	6 Years

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Fiduciary Fund Types

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/ or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The following is a description of the Trust and Agency Funds of the District.

Unemployment Compensation Trust Fund - This fund is used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the "Benefit Reimbursement Method."

Student Activities Agency Fund - This fund is used to account for funds derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Payroll Agency Fund - This fund accounts for the withholding and remittance of employee salary deductions.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office and, if necessary, are voted upon at the annual school election in November. 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 NJAC 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

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

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

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

E. Encumbrances

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned 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.

F. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition Payable

Tuition charges for the fiscal years 2014-2015 and 2013-2014 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-Term Interfund Receivables/Payables

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

I. Inventories and Prepaid Items

Inventories and prepaid items, which benefit future periods, other than those recorded in the Enterprise Fund are recorded as an expenditure during the year of purchase.

Enterprise Fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as a unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

J. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements & Portable Classroom	50
Land Improvements	20
Furniture	20
Maintenance Equipment	15
Musical Instruments	10
Athletic Equipment	10
Audio Visual Equipment	10
Office Equipment	5 to 10
Computer Equipment	5 to 10

K. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by Governmental Accounting Standards Board statement number 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of social security and medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

L. Unearned Revenue

Unearned revenue in the General Fund and Special Revenue Fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the Special Revenue Fund.

Unearned revenue in the Enterprise Fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the Food Service Fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-Term Obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

N. Fund Balances-Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-Spendable—includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted—includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed—includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned—includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned—includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

N. Fund Balances-Governmental Funds (Cont'd)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

O. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

P. Allocation of Indirect Expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF pension contributions, reimbursed TPAF social security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in NJSA 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES (Cont'd)

School taxes are guaranteed as to amount of collection by the municipality, the collection agency, and are transmitted to the school district in accordance with the schedule of tax installments as certified by the school district's Board of Education on an annual basis.

NOTE 3. DEPOSITS AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents 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. US Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at amortized cost. All other investments are stated at fair value.

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

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

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

Deposits at June 30, 2015 appear in the financial statements as summarized below:

Cash		\$	2,120,769
Investments			252,658
Total Cash and Investments		\$	2,373,427
	<u>Ref.</u>		
Cash:			
Governmental Funds, Balance Sheet	B-1	\$	1,923,565
Enterprise Fund, Statement of Net Position	B-4		5,945
Fiduciary Funds, Statement of Net Position	B-7		191,259
Investments:			
Governmental Funds, Balance Sheet	B-2		252,658
Total Cash and Investments		\$	2,373,427

Deposits – The District's carrying amount of bank deposits at June 30, 2015 is \$2,373,427 and the bank balance is \$2,497,105. Of the bank balance, \$250,000 is covered by federal depository insurance and \$2,247,105 is insured by GUDPA.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

Deposit and Investment Risk

GASB Statement No. 40 "Deposit and Investment Risk Disclosures" requires state and local governments to communicate key information about deposit and investment risks. Required disclosures are as follows:

1. Custodial credit risk disclosures are required for:
 - deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name
 - Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name
2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the district has no such investments, this disclosure is not applicable.
3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.
4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the district has no such investments, this disclosure is not applicable.
5. Investments that are exposed to foreign currency risk should be disclosed. As the district has no such investments this disclosure is not applicable.

Concentration of Credit Risk

The State of New Jersey does not place any limit on the amount that the district may invest with any one issuer. As of June 30, 2015, the district has investments consisting of a certificate of deposit of Hopewell Valley Bank..

NOTE 4. CAPITAL ASSETS

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

GOVERNMENTAL ACTIVITIES	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 462,026			\$ 462,026
Construction in Progress	64,972	\$ 612,327		677,299
Total	<u>526,998</u>	<u>612,327</u>	<u>\$ -0-</u>	<u>1,139,325</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 4. CAPITAL ASSETS (Cont'd)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets, Being				
Depreciated:				
Land Improvements	\$ 141,560			\$ 141,560
Building & Improvements	4,946,241			4,946,241
Furniture & Equipment	856,504	\$ 10,207		866,711
Total	<u>5,944,305</u>	<u>10,207</u>	<u>\$ -0-</u>	<u>5,954,512</u>
Accumulated Depreciation:				
Land Improvements	82,874	6,102		88,976
Building & Improvements	2,621,854	113,257		2,735,111
Furniture & Equipment	718,333	19,934		738,267
Total	<u>3,423,061</u>	<u>139,293</u>	<u>-0-</u>	<u>3,562,354</u>
Transfers	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Capital Assets, Being				
Depreciated, Net	<u>2,521,244</u>	<u>(129,086)</u>	<u>-0-</u>	<u>2,392,158</u>
Governmental Activities Capital				
Assets, Net	<u>\$ 3,048,242</u>	<u>\$ 483,241</u>	<u>\$ -0-</u>	<u>\$ 3,531,483</u>
Business-Type Activities:				
Furniture & Equipment	\$ 22,087	\$ 12,207		\$ 34,294
Less: Accum Depreciation	<u>18,061</u>	<u>651</u>		<u>18,712</u>
Business-Type Activities Capital				
Assets, Net	<u>\$ 4,026</u>	<u>\$ 11,556</u>	<u>\$ -0-</u>	<u>\$ 15,582</u>
Depreciation expense was charged to governmental functions in the current year as follows:				
Instruction:				
Regular	\$ 70,551			
Special Education	19,044			
Other Special Instruction	2,155			
Co-Curricular Activities	2,407			
Support Services:				
Student & Instruction	25,247			
General & Business Admin	12,082			
School Administration	4,585			
Plant & Maintenance	<u>3,222</u>			
Total Depreciation Expense,				
Governmental Activities	<u>\$ 139,293</u>			

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 5. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2015 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds Payable	\$ 790,000		\$ 180,000	\$ 610,000	\$ 190,000
PERS Net Pension Liability	1,937,985		184,572	1,753,413	
Unamortized Bond Premiums	21,200		4,240	16,960	4,240
Compensated Absences Payable	<u>364,636</u>	<u>\$ 24,633</u>		<u>389,269</u>	<u>12,930</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 3,113,821</u>	<u>\$ 24,633</u>	<u>\$ 368,812</u>	<u>\$ 2,769,642</u>	<u>\$ 207,170</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2015 including interest payments are listed as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 190,000	\$ 27,950	\$ 217,950
2017	205,000	18,950	223,950
2018	<u>215,000</u>	<u>10,750</u>	<u>225,750</u>
Total	<u>\$ 610,000</u>	<u>\$ 57,650</u>	<u>\$ 667,650</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 5. GENERAL LONG-TERM DEBT (Cont'd)

General Obligation Bonds – General obligation school building bonds payable at June 30, 2015, with their outstanding balances are comprised of the following individual issues:

\$1,885,000 - 2007 refunding general obligation bonds, due in annual installments of \$150,000 to \$215,000, beginning Jan 15, 2008, through Jan 15, 2018, interest at 3.625% to 5.000%	\$ <u>610,000</u>
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The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2015 is \$22,073,297. General obligation debt at June 30, 2015 is \$610,000, resulting in a legal debt margin of \$21,463,297.

NOTE 6. PENSION PLANS

Description of Systems

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

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS

A. Public Employees' Retirement System (PERS) (Cont'd)

The vesting and benefit provisions are set by NJSA 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.

The following represents the membership tiers for PERS:

Tier	Definition
1.	Members enrolled prior to July 1, 2007
2.	Members eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3.	Members eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4.	Members eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5.	Members eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Allocation Methodology and Reconciliation to Financial Statements

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amounts by employer. The allocation percentages for each group as of June 30, 2014 and 2013 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2014 and 2013, respectively.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the Division's schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2014 and 2013. Employer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer may result in immaterial differences.

Contributions

The contribution policy for PERS is set by NJSA 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For Fiscal years 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, PL 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Collective Net Pension Liability and Actuarial Information

Components of Net Pension Liability

The components of the District's allocable share of the net pension liability for PERS as of June 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Total Pension Liability	\$ 3,659,104	\$ 3,779,469
Plan Fiduciary Net Position	<u>1,905,691</u>	<u>1,841,484</u>
Net Pension Liability	<u>\$ 1,753,413</u>	<u>\$ 1,937,985</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

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 (Based on Age):	
2012-2021	2.15%-4.40%
Thereafter	3.15%-5.40%
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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

The discount rate used to measure the 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.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the District as of June 30, 2014 and 2013, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	<u>2014</u>
At Current Discount Rate (5.39%)	\$ 1,753,413
At a 1% Lower Rate (4.39%)	2,205,854
At a 1% Higher Rate (6.39%)	1,373,479
	<u>2013</u>
At Current Discount Rate (5.55%)	\$ 1,937,985
At a 1% Lower Rate (4.55%)	2,412,536
At a 1% Higher Rate (6.55%)	1,540,374

Collective Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -0-	\$ -0-
Changes of assumptions	55,137	
Net difference between projected and actual earnings on pension plan investments		104,494

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Collective Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between District contributions and proportionate share of contributions		\$ 125,118
District contributions subsequent to the measurement date	\$ 77,205	
Total	<u>\$ 132,342</u>	<u>\$ 229,612</u>

The amount reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (ie for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) of \$77,205 will be recognized as a reduction of the net pension liability in the year ended June 30, 2015.

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2014:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Deferred Outflows of Resources:				
Changes of Assumptions	\$ -0-	\$ 65,272	\$ 10,135	\$ 55,137
Deferred Inflows of Resources:				
Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	130,617	26,123	<u>104,494</u>
Net of Deferred Outflows/(Inflows)				<u>\$ (49,357)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2015	\$ (15,988)
2016	(15,988)
2017	(15,988)
2018	(15,988)
2019	10,135
Thereafter	<u>4,460</u>
Total	<u>\$ (49,357)</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Expense

For the year ended June 30, 2015, the District recognized net pension expense of \$63,307 which represents the District's proportionate share of allocable plan pension expense of \$90,147 less the net amortization of deferred amounts from changes in proportion of \$23,000 plus the pension expense related to specific liabilities of individual employers of \$25 and less other adjustments to the net pension liability of \$865. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the year ending June 30, 2014 are as follows:

Service Cost	\$ 82,038
Interest on Total Pension Liability	193,563
Member Contributions	(44,928)
Administrative Expense	1,368
Expected Investment Return Net of Investment Expense	(125,349)
Pension Expense Related to Specific Liabilities of Individual Employers	(557)
Recognition of Deferred Inflows/Outflows of Resources:	
Amortization of Assumption Changes or Inputs	10,135
Amortization of Projected Versus Actual Investment Earnings on Pension Plan Investments	(26,123)
Pension Expense	<u>\$ 90,147</u>

B. Teacher's Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by NJSA 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

B. Teacher's Pension and Annuity Fund (TPAF) (Cont'd)

The following represents the membership tiers for TPAF:

Tier	Definition
1.	Members enrolled prior to July 1, 2007
2.	Members eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3.	Members eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4.	Members eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5.	Members eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with NJSA 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

B. Teacher's Pension and Annuity Fund (TPAF) (Cont'd)

For purposes of reporting required by GASB Statement No. 68, Accounting and Financial Reporting for Pensions, the District's proportionate share of allocable net pension liability, employer pension expense and related revenue, non-employer contributions and their allocable proportionate percentage for fiscal years ending June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Net Pension Liability	\$ 19,825,900	\$19,015,161
Employer Pension Expense & Related Revenue	1,066,820	N/A
Non-Employer Contribution	157,574	243,681
Allocable Proportionate Percentage	.0370946815%	.0376245685%

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch 92, PL 2007 and expanded under the provisions of Ch 89, PL 2008 and Ch 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,200 for 2015) but who earn salary of at least \$5,000 annually are eligible to participate. The program administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: www.prudential.com/njdcrp.

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

The contribution policy is set by state statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Significant legislation which became effective October 1, 2011 will gradually increase the employee contribution rate for PERS and TPAF members. Effective October 1, 2011 the rate increased from 5.50% to 6.50% of annual contractual compensation for employees enrolled in the TPAF and PERS pension plans. The rate will increase each year on the first of July over a seven year phase-in period until the withholding rate reaches 7.50% effective July 1, 2018. Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. Employers are required to contribute at an actuarially determined rate in TPAF, PERS and DCRP. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums. Under current statute, the Board is a noncontributing employer of the TPAF.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

Contribution Requirements (Cont'd)

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year Funding	TPAF Benefit Costs	Percentage of APC Contributed
06/30/15	\$ 518,344	100%
06/30/14	414,227	100%
06/30/13	518,015	100%

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed
06/30/15	\$ 77,205	100%
06/30/14	76,404	100%
06/30/13	78,816	100%

During the year ended June 30, 2015, the State of New Jersey contributed \$318,018 to the TPAF for post-retirement medical benefits and \$13,445 non-contributory insurance premiums and \$186,881 for TPAF normal costs and accrued liability on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$270,934 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 68.

NOTE 7. POST-RETIREMENT BENEFITS

Chapter 384 of PL 1987 and Ch 6 of PL 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. PL 2007, Ch 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 eligible for 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 Ch 62, PL 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning the fiscal year 1994.

The State is also responsible for the cost attributable to Ch 126, PL 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. In fiscal year 2014, the State paid \$165.8 million toward Ch 126 benefits for 18,122 eligible retired members.

GASB Statement 45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District's only material OPEB obligation is for healthcare provided to eligible retirees through the NJ State Health Benefits Program.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 7. POST-RETIREMENT BENEFITS (Cont'd)

Plan Description-The School District contributes to the 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 Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. The school district adopted a resolution to participate in the SHBP. The State Health Benefits Commission is the executive body established by the statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295 or by visiting their website at (www.nj.gov/treasury/pensions).

Funding Policy-Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Information regarding the State's annual contributions, annual OPEB cost and net OPEB obligations is available through the State as noted in the previous paragraph.

NOTE 8. DEFERRED COMPENSATION

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

Valic
 The Equitable
 Metropolitan Life
 Great American Life
 Lincoln Investment Planning

NOTE 9. INTERFUND RECEIVABLE AND PAYABLES

The composition of Interfund balances as of June 30, 2015 is as follows:

Fund	Receivable Fund	Payable Fund
General Fund	\$ 600	
Unemployment Compensation Fund	2,972	
Payroll Agency Fund		\$ 3,572
	<u>\$ 3,572</u>	<u>\$ 3,572</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 9. INTERFUND RECEIVABLE AND PAYABLES

The balance due from the Payroll Agency Fund to the General Fund of \$600 represents a loan for the flexible spending account. The balance due from the Payroll Agency Fund to the Unemployment Compensation Fund of \$2,972 represents employee withholdings for the unemployment trust not yet transferred at year end.

The District transferred \$675,543 from the General Fund to the Capital Projects Fund representing capital reserve funding for a project approved in the District's Long Range Facility Plan.

NOTE 10. INVENTORY

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

Food	\$	2,182
Supplies		377
	\$	2,559

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 11. CONTINGENT LIABILITIES

The District is involved in various legal proceedings that are incidental to its operations. These legal proceedings are not likely to have a material adverse effect on the financial position of the School District.

NOTE 12. RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the NJ Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment trust fund for the current and previous two years:

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 12. RISK MANAGEMENT

<u>Fiscal Year</u>	<u>Board Contrib</u>	<u>Interest Earnings</u>	<u>Employee Contrib</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ -0-	\$ 237	\$ 8,026	\$ -0-	\$ 126,254
2013-2014	-0-	241	9,344	15,418	117,991
2012-2013	-0-	278	4,976	3,658	123,824

NOTE 13. LEGAL RESERVE ACCOUNTS

A capital reserve account was established by the District by inclusion of \$1 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 districts approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, a district may deposit funds into the capital reserve at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to NJAC 6:23A-5.1 (d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning in fiscal year 2008, Districts are allowed as per NJSA 18A:7F-41(a) & 41(b) to deposit to the legal reserves by board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District adopted a board resolution in June 2015 to authorize a deposit to their Capital Reserve account of \$515,000 and \$20,000 to the Maintenance Reserve account.

The following is a summarization of the Legal Reserve Accounts for the Current year:

<u>Type</u>	<u>Beginning Balance</u>	<u>District Contribution</u>	<u>Interest Earnings</u>	<u>Return of Local Funding</u>	<u>With- drawal</u>	<u>Ending Balance</u>
Capital	\$ 656,442	\$ 677,100	\$ 858		\$ 616,950	\$ 717,450
Emergency	75,150		150			75,300
Maintenance	155,000	20,000				175,000
Totals	<u>\$ 886,592</u>	<u>\$ 697,100</u>	<u>\$ 1,008</u>	<u>\$ -0-</u>	<u>\$ 616,950</u>	<u>\$ 967,750</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2014
 (Continued)

NOTE 14. FUND BALANCES-BUDGETARY BASIS

As described in Note 1 N-Fund Equity (Fund Balance) may be restricted, committed or assigned. An analysis of the General Fund Balance on June 30, 2015 and 2014 is as follows:

	2015	2014
Committed:		
Capital Reserve Account-Represents funds restricted to capital projects in the Districts Long Range Facilities Plan	\$ 717,450	\$ 656,442
Maintenance Reserve Account-Represents funds restricted for the required maintenance of a school facility	175,000	155,000
Emergency Reserve Account-Represents funds restricted to finance unanticipated general fund expenditures required for a thorough and efficient education	75,300	75,150
Restricted:		
Excess Surplus-Represents amount in excess of allowable percentage of expenditures. In accordance with State Statute the excess surplus is designated for utilization in succeeding years budgets	103,303	121,281
Excess Surplus-Designated for Subsequent Year's Expenditures-represents amount appropriated in the succeeding year's budget to reduce tax requirements	121,281	100,729
Assigned:		
Year End Encumbrance-Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30,	30,798	110,787
Designated Surplus-Designated for Subsequent Year's Expenditures-represents amount appropriated in the succeeding year's budget to reduce tax requirements		3,654
Unassigned:		
Undesignated-Represents fund balance which has not been restricted or designated	275,222	280,127
Total Fund Balance	\$ 1,498,354	\$ 1,503,170

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by PL 2004, Ch 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$103,303.

NOTE 16: SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 30, 2015, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

The following is a list of recent accounting pronouncements which are not yet effective as of the year end date of this report:

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72 "Fair Value Measurement and Application". This statement, which is effective for fiscal periods beginning after June 15, 2015, is not expected to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 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, which is effective for fiscal periods beginning June 15, 2015 and June 15, 2016 for pension systems not within the scope of GASB 68, is not expected to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74 "Financial Reporting for Postemployment Benefits Other than Pension Plans". This statement, which is effective for fiscal periods beginning June 15, 2016, is expected to have a nominal effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". This statement, which is effective for fiscal periods beginning June 15, 2017, is expected to have a nominal effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76 "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". This statement, which is effective for fiscal periods beginning June 15, 2015, is not expected to have an effect on the District's financial reporting.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77 "Tax Abatement Disclosures". This statement, which is effective for fiscal periods beginning December 15, 2015, is not expected to have an effect on the District's financial reporting.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2014
 (Continued)

NOTE 18. RESTATEMENT OF PRIOR YEAR NET POSITION

During the fiscal year ending June 30, 2015, the District has determined that a restatement of its prior year net position is necessary. Due to changes in accounting principles resulting from the issuance of Government Accounting Standards Board's (GASB) Statement No. 68, for pension liabilities, adjustments to the net position for the net pension liability and deferred outflows of resources as of the measurement date of June 30, 2014 are necessary. The following is a summary of the District's restatement of net position as of June 30, 2014:

	<u>Governmental Activities</u>
Net Position, June 30, 2014 as Originally Stated	\$ 3,883,153
Add: Deferred Outflow of Resources for Pension Activity	76,404
Less: Net Pension Liability as of June 30, 2014	<u>(1,937,985)</u>
Net Position, June 30, 2014 as Restated	<u>\$ 2,021,572</u>

NOTE 19. DEFICIT BALANCE IN UNRESTRICTED NET POSITION

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2015 of \$1,823,635 on schedule A-1 "Statement of Net Position". The deficit balance is not a negative reflection on the District's financial condition, but is the result of reporting required by GASB Statement No. 68 Accounting and Financial Reporting for Pensions which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

BUDGETARY COMPARISON SCHEDULES

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 6,649,944		\$ 6,649,944	\$ 6,649,944	
Tuition-Individuals	60,000		60,000	85,288	\$ 25,288
Tuition-Other LEAs	100,000		100,000	170,183	70,183
Interest on Capital Reserve Funds	100		100	858	758
Interest on Current Expense Emergency Reserve				150	150
Interest on Investments				6,586	6,586
Building Use Rental Fees				5,866	5,866
Shared Service Agreement Revenue				78,553	78,553
Miscellaneous-Unrestricted	54,000		54,000	18,335	(35,665)
Total	<u>6,864,044</u>	<u>\$ -</u>	<u>6,864,044</u>	<u>7,015,763</u>	<u>151,719</u>
State Sources:					
School Choice Aid	240,480		240,480	240,480	
Categorical Transportation Aid	181,957		181,957	181,957	
Categorical Special Education Aid	280,435		280,435	280,435	
Categorical Security Aid	37,939		37,939	37,939	
Adjustment Aid	98,275		98,275	98,275	
PARCC Readiness Aid	3,620		3,620	3,620	
Per Pupil Growth Aid	3,620		3,620	3,620	
Extraordinary Special Education Costs Aid				23,422	23,422
Non Public Transportation Aid				2,088	2,088
On-Behalf TPAF Pension Contributions				200,326	200,326
On-Behalf TPAF Post Retirement Medical Benefits				318,018	318,018
Reimbursed TPAF Social Security Contribution				270,934	270,934
Total	<u>846,326</u>	<u>-</u>	<u>846,326</u>	<u>1,661,114</u>	<u>814,788</u>
TOTAL REVENUES	<u>\$ 7,710,370</u>	<u>\$ -</u>	<u>\$ 7,710,370</u>	<u>\$ 8,676,877</u>	<u>\$ 966,507</u>
EXPENDITURES					
Current:					
Regular Programs:					
Instruction-Salaries of Teachers:					
Preschool	\$ 47,448		\$ 47,448	\$ 45,695	\$ 1,753
Kindergarten	154,555	\$ 3,935	158,490	157,554	936
Grades 1-5	1,208,048	2,135	1,210,183	1,210,178	5
Grades 6-8	896,663	(1,950)	894,713	874,528	20,185
Home Instruction:					
Salaries of Teachers	1,200		1,200		1,200
Other Purchased Services	150		150		150
Undistributed Instruction:					
Other Salaries for Instruction	19,960		19,960	15,740	4,220
Purchased Professional Educational Services	500		500		500
Purchased Technical Services	71,287	(50,000)	21,287	14,608	6,679
Other Purchased Services	99,844	6,000	105,844	95,602	10,242
General Supplies	156,428	(10,425)	146,003	122,287	23,716
Textbooks	113,233	(16,900)	96,333	49,793	46,540
Other Objects	10,740	1,850	12,590	12,553	37
Total	<u>2,780,056</u>	<u>(65,355)</u>	<u>2,714,701</u>	<u>2,598,538</u>	<u>116,163</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Special Education:					
Resource Room/Center:					
Salaries of Teachers	\$ 332,691	\$ 2,370	\$ 335,061	\$ 334,843	\$ 218
Other Salaries for Instruction	117,581	4,935	122,516	121,271	1,245
Other Purchased Services	16,000	(1,900)	14,100		14,100
General Supplies	7,634		7,634	7,455	179
Total	473,906	5,405	479,311	463,569	15,742
Autism					
Salaries of Teachers	64,235	(31)	64,204	63,209	995
General Supplies	1,523	31	1,554	1,553	1
Other Objects	3,500		3,500	2,100	1,400
Total	69,258	-	69,258	66,862	2,396
Preschool Disabilities-Full-Time:					
Salaries of Teachers	50,955	920	51,875	51,054	821
Other Salaries for Instruction	55,065	(2,350)	52,715	48,593	4,122
Purchased Professional Educational Services	15,000	(230)	14,770	7,270	7,500
General Supplies	1,200	(190)	1,010	1,010	
Total	122,220	(1,850)	120,370	107,927	12,443
Total Special Education	665,384	3,555	668,939	638,358	30,581
Basic Skills/Remedial:					
Salaries of Teachers	67,799	245	68,044	62,744	5,300
Other Purchased Services	225	(95)	130	126	4
General Supplies	2,750	(150)	2,600		2,600
Total	70,774	-	70,774	62,870	7,904
School Sponsored Co-Curricular Activities:					
Salaries	37,100	6,815	43,915	43,911	4
Purchased Services	500	(100)	400		400
Supplies and Materials	1,500	501	2,001	2,001	
Other Objects	500	(401)	99	75	24
Total	39,600	6,815	46,415	45,987	428
School Sponsored Athletics:					
Salaries	39,357	(4,800)	34,557	34,463	94
Purchased Services	5,060		5,060	3,740	1,320
Supplies and Materials	6,000	(75)	5,925	4,797	1,128
Other Objects	500	75	575	560	15
Total	50,917	(4,800)	46,117	43,560	2,557
Total Instruction Regular	\$ 3,606,731	\$ (59,785)	\$ 3,546,946	\$ 3,389,313	\$ 157,633
Undistributed Expenditures:					
Instruction-Tuition:					
Tuition to CSSD & Regional Day Schools	\$ 41,800	\$ (21,915)	\$ 19,885	\$ 15,550	\$ 4,335
Tuition to Priv. School for the Disabled W/I State		60,027	60,027	60,005	22
Total	41,800	38,112	79,912	75,555	4,357

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Health Services:					
Salaries	\$ 90,369	\$ 940	\$ 91,309	\$ 91,295	\$ 14
Purchased Professional & Technical Services	9,950	(600)	9,350	9,312	38
Other Purchased Services	725		725	359	366
Supplies and Materials	3,500	(340)	3,160	3,093	67
Other Objects	145		145	144	1
Total	<u>104,689</u>	<u>-</u>	<u>104,689</u>	<u>104,203</u>	<u>486</u>
Speech, OT, PT and Related Services:					
Salaries	57,680		57,680	56,970	710
Purchased Professional-Educational Services	65,000	(12)	64,988	39,088	25,900
Supplies and Materials	560	12	572	572	
Other Objects	1,000	(300)	700		700
Total	<u>124,240</u>	<u>(300)</u>	<u>123,940</u>	<u>96,630</u>	<u>27,310</u>
Other Support Services-Students-Extra Serv:					
Salaries	5,000		5,000	2,150	2,850
Purchased Professional-Educational Services	33,000		33,000	5,016	27,984
Supplies and Materials	1,500		1,500	406	1,094
Total	<u>39,500</u>	<u>-</u>	<u>39,500</u>	<u>7,572</u>	<u>31,928</u>
Guidance:					
Salaries of Other Professional Staff	72,118	1,015	73,133	73,129	4
Other Purchased Services	225		225	12	213
Supplies and Materials	15,114	(1,015)	14,099	8,065	6,034
Other Objects	150		150		150
Total	<u>87,607</u>	<u>-</u>	<u>87,607</u>	<u>81,206</u>	<u>6,401</u>
Child Study Teams:					
Salaries of Other Professional Staff	206,856	1,575	208,431	208,385	46
Salaries of Secretarial & Clerical Assistants	41,759		41,759	41,557	202
Other Salaries	18,082	1	18,083	18,083	
Purchased Professional Educational Services	3,000		3,000	2,865	135
Other Purchased Professional & Tech Services	6,000		6,000	4,719	1,281
Other Purchased Services	750		750	571	179
Miscellaneous Purchased Services	5,400	1,300	6,700	3,471	3,229
Supplies and Materials	4,400	(2,876)	1,524	870	654
Other Objects	250		250		250
Total	<u>286,497</u>	<u>-</u>	<u>286,497</u>	<u>280,521</u>	<u>5,976</u>
Improvement of Instructional Services:					
Salaries of Other Professional Staff	7,500		7,500	110	7,390
Other Salaries	100,254	3,900	104,154	104,151	3
Other Purchased Services	2,435	105	2,540	2,008	532
Supplies and Materials	674	(425)	249	77	172
Other Objects	1,370		1,370	1,369	1
Total	<u>112,233</u>	<u>3,580</u>	<u>115,813</u>	<u>107,715</u>	<u>8,098</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Educational Media Services/School Library:					
Salaries	\$ 73,193	\$ 3,207	\$ 76,400	\$ 74,974	\$ 1,426
Salaries of Technology Coordinators	69,438	2,810	72,248	72,246	2
Purchased Professional & Technical Services	500	48,568	49,068	45,815	3,253
Other Purchased Services	1,950		1,950	1,559	391
Supplies and Materials	15,000	(5,045)	9,955	9,081	874
Other Objects	225		225		225
Total	<u>160,306</u>	<u>49,540</u>	<u>209,846</u>	<u>203,675</u>	<u>6,171</u>
Instructional Staff Training Services:					
Purchased Professional-Educational Services		4,420	4,420	4,420	
Other Purchased Services	5,000	(357)	4,643	4,493	150
Supplies and Materials	750	(683)	67	65	2
Other Objects	500	(500)			
Total	<u>6,250</u>	<u>2,880</u>	<u>9,130</u>	<u>8,978</u>	<u>152</u>
Support Services-General Administration:					
Salaries	210,690	4,405	215,095	215,091	4
Legal Services	12,000	275	12,275	12,254	21
Audit Fees	14,950	(300)	14,650	14,650	
Architectural/Engineering Services	5,000	(5,000)			
Communications and Telephone	13,365	(2,830)	10,535	8,730	1,805
Board of Education Other Purchased Services	2,200		2,200	2,056	144
Miscellaneous Purchased Services	18,400	800	19,200	17,235	1,965
General Supplies	2,500	850	3,350	3,350	
BOE In-House Training/Meeting Supplies	300	(200)	100		100
Miscellaneous Expenditures	1,500	(550)	950	878	72
Board of Education Membership Dues & Fees	4,500		4,500	4,237	263
Total	<u>285,405</u>	<u>(2,550)</u>	<u>282,855</u>	<u>278,481</u>	<u>4,374</u>
Support Services-School Administration:					
Salaries of Principals/Asst Principals/Prog Director	99,453	1	99,454	99,454	
Salaries of Secretarial and Clerical Assistants	57,851	4,195	62,046	62,045	1
Other Purchased Services	5,100	(1,645)	3,455	3,085	370
Supplies and Materials	2,000	1,974	3,974	3,952	22
Other Objects	2,500	(475)	2,025	2,023	2
Total	<u>166,904</u>	<u>4,050</u>	<u>170,954</u>	<u>170,559</u>	<u>395</u>
Central Services:					
Salaries	153,940	(2,050)	151,890	151,871	19
Purchased Professional Services	8,980	50	9,030	8,713	317
Purchased Technical Services	1,425	1,300	2,725	1,598	1,127
Miscellaneous Purchased Services	1,500		1,500	920	580
Supplies and Materials	2,500	(1,800)	700	561	139
Miscellaneous Expenditures	2,100	500	2,600	2,454	146
Total	<u>170,445</u>	<u>(2,000)</u>	<u>168,445</u>	<u>166,117</u>	<u>2,328</u>
Administrative Information Technology Services:					
Purchased Technical Services	4,335	500	4,835	4,790	45
Total	<u>4,335</u>	<u>500</u>	<u>4,835</u>	<u>4,790</u>	<u>45</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Required Maintenance for School Facilities:					
Salaries		\$ 42,101	\$ 42,101	\$ 33,038	\$ 9,063
Cleaning, Repair, & Maintenance Services	\$ 125,081	(45,450)	79,631	63,590	16,041
General Supplies	4,000		4,000	137	3,863
Total	<u>129,081</u>	<u>(3,349)</u>	<u>125,732</u>	<u>96,765</u>	<u>28,967</u>
Custodial Services:					
Salaries	232,762	(26,384)	206,378	206,353	25
Purchased Professional & Technical Services	25,250	(5,502)	19,748	18,746	1,002
Cleaning, Repair, & Maintenance Services	25,635	4,000	29,635	27,304	2,331
Insurance	32,500		32,500	32,166	334
Miscellaneous Purchased Services	500		500	500	
General Supplies	45,000		45,000	38,237	6,763
Energy (Natural Gas)	48,000	8,000	56,000	41,584	14,416
Energy (Electricity)	104,775		104,775	75,452	29,323
Other Objects	2,000		2,000	1,489	511
Total	<u>516,422</u>	<u>(19,886)</u>	<u>496,536</u>	<u>441,831</u>	<u>54,705</u>
Care & Upkeep of Grounds:					
Salaries	78,648		78,648	71,164	7,484
Purchased Professional & Technical Services	2,000	15,550	17,550	3,900	13,650
Cleaning, Repair, & Maintenance Services	13,000	(10,500)	2,500		2,500
General Supplies	8,250	(1,000)	7,250	6,226	1,024
Other Objects	1,000		1,000		1,000
Total	<u>102,898</u>	<u>4,050</u>	<u>106,948</u>	<u>81,290</u>	<u>25,658</u>
Security:					
Salaries		16,910	16,910	16,910	
Purchased Professional & Technical Services	15,115	(600)	14,515	9,690	4,825
Cleaning, Repair, & Maintenance Services	1,500	300	1,800	1,760	40
General Supplies	3,500	(1,025)	2,475	1,359	1,116
Other Objects	14,500	(10,300)	4,200		4,200
Total	<u>34,615</u>	<u>5,285</u>	<u>39,900</u>	<u>29,719</u>	<u>10,181</u>
Student Transportation Services:					
Management Fees-ESC	500		500	134	366
Contracted Svc-Aid in Lieu Pymts-Non Public School	16,800	(3,000)	13,800	11,723	2,077
Contracted Svc-Aid in Lieu Pymts-Choice School	1,788	3,000	4,788	4,723	65
Contracted Svc (Other than Bet Home & Sch)-Vendor	26,700		26,700	23,467	3,233
Contracted Svc (Bet Home & Sch)-Joint Agrmnts	345,818	(5,000)	340,818	319,875	20,943
Contracted Svc (Sp Ed Students)-Joint Agrmnts	46,928		46,928	46,536	392
Contracted Svc (Sp Ed Students)-ESCs & CTSA's	5,000		5,000	2,438	2,562
Total	<u>443,534</u>	<u>(5,000)</u>	<u>438,534</u>	<u>408,896</u>	<u>29,638</u>
Unallocated Benefits-Employee Benefits:					
Social Security Contributions	76,342	(350)	75,992	75,991	1
Other Retirement Contributions-PERS	80,000	(2,200)	77,800	77,205	595
Workmen's Compensation	49,000		49,000	35,765	13,235
Health Benefits	987,775	(10,000)	977,775	893,823	83,952
Tuition Reimbursement	27,161	4,550	31,711	28,718	2,993
Other Employee Benefits	49,687	7,000	56,687	44,164	12,523
Total	<u>1,269,965</u>	<u>(1,000)</u>	<u>1,268,965</u>	<u>1,155,666</u>	<u>113,299</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
On-Behalf TPAF Pension Contributions				\$ 200,326	\$ (200,326)
On-Behalf TPAF Post Retirement Medical				318,018	(318,018)
Reimbursed TPAF Social Security Contribution				270,934	(270,934)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>789,278</u>	<u>(789,278)</u>
Total Undistributed Expenditures	<u>\$ 4,086,726</u>	<u>\$ 73,912</u>	<u>\$ 4,160,638</u>	<u>\$ 4,589,447</u>	<u>\$ (428,809)</u>
TOTAL CURRENT	<u>\$ 7,693,457</u>	<u>\$ 14,127</u>	<u>\$ 7,707,584</u>	<u>\$ 7,978,760</u>	<u>\$ (271,176)</u>
CAPITAL OUTLAY					
Equipment:					
Administrative Information Technology	\$ 19,200	\$ (8,993)	\$ 10,207	\$ 10,207	
School Administration	20,000	(20,000)			
Total	<u>39,200</u>	<u>(28,993)</u>	<u>10,207</u>	<u>10,207</u>	<u>\$ -</u>
Facilities Acquisition & Construction Services:					
Construction Services	29,600	(29,600)			
Assessment for Debt Service on SDA Funding	1,183		1,183	1,183	
Total	<u>30,783</u>	<u>(29,600)</u>	<u>1,183</u>	<u>1,183</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>\$ 69,983</u>	<u>\$ (58,593)</u>	<u>\$ 11,390</u>	<u>\$ 11,390</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u>\$ 7,763,440</u>	<u>\$ (44,466)</u>	<u>\$ 7,718,974</u>	<u>\$ 7,990,150</u>	<u>\$ (271,176)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (53,070)</u>	<u>\$ 44,466</u>	<u>\$ (8,604)</u>	<u>\$ 686,727</u>	<u>\$ 695,331</u>
Other Financing Sources (Uses):					
Transfer Out-Capital Reserve to Capital Projects Fund		(675,543)	(675,543)	(675,543)	
Operating Transfers Out-Food Service Fund		(16,000)	(16,000)	(16,000)	
Total Other Financing Sources (Uses)	<u>-</u>	<u>(691,543)</u>	<u>(691,543)</u>	<u>(691,543)</u>	<u>-</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	<u>(53,070)</u>	<u>(647,077)</u>	<u>(700,147)</u>	<u>(4,816)</u>	<u>695,331</u>
Fund Balances, July 1	<u>1,503,170</u>	<u>-</u>	<u>1,503,170</u>	<u>1,503,170</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 1,450,100</u>	<u>\$ (647,077)</u>	<u>\$ 803,023</u>	<u>\$ 1,498,354</u>	<u>\$ 695,331</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Adjustment for Prior Year Encumbrances	\$ (110,787)		\$ (110,787)	\$ (110,787)	
Increase in Capital Reserve	162,100	\$ 573,593	735,693	736,551	\$ 858
Withdrawal from Capital Reserve		(675,543)	(675,543)	(675,543)	
Increase (Decrease) in Maintenance Reserve		20,000	20,000	20,000	
Increase (Decrease) in Emergency Reserve				150	150
Budgeted Fund Balance	<u>(104,383)</u>	<u>(565,127)</u>	<u>(669,510)</u>	<u>24,813</u>	<u>694,323</u>
TOTAL	<u>\$ (53,070)</u>	<u>\$ (647,077)</u>	<u>\$ (700,147)</u>	<u>\$ (4,816)</u>	<u>\$ 695,331</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:			
Excess Surplus:			
Prior Year-Designated for 2015-2016 Budget	\$	121,281	
Current Year-Designated for 2016-2017 Budget		<u>103,303</u>	
			\$ 224,584
Committed Fund Balance:			
Capital Reserve		717,450	
Maintenance Reserve		175,000	
Emergency Reserve		<u>75,300</u>	
			967,750
Assigned Fund Balance:			
Year-End Encumbrances			30,798
Unassigned Fund Balance			<u>275,222</u>
			1,498,354
Reconciliation to Governmental Statements (GAAP):			
Last State Aid Payments not Recognized on GAAP Basis			<u>(84,517)</u>
Fund Balance Per Governmental Funds (GAAP)	\$		<u><u>1,413,837</u></u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources	\$ 750	\$ 14,630	\$ 15,380	\$ 722	\$ (14,658)
State Sources		64	64		(64)
Federal Sources	166,517	26,172	192,689	168,503	(24,186)
TOTAL REVENUES	<u>\$ 167,267</u>	<u>\$ 40,866</u>	<u>\$ 208,133</u>	<u>\$ 169,225</u>	<u>\$ (38,908)</u>
EXPENDITURES					
Instruction:					
Salaries	\$ 103,788	\$ 10,000	\$ 113,788	\$ 98,788	\$ 15,000
General Supplies	15,338	30,038	45,376	21,746	23,630
Totals	<u>119,126</u>	<u>40,038</u>	<u>159,164</u>	<u>120,534</u>	<u>38,630</u>
Support Services:					
Salaries	24,130		24,130	24,130	
Personal Services-Employee Benefits	14,698	828	15,526	15,248	278
Other Purchased Services	9,313		9,313	9,313	
Total	<u>48,141</u>	<u>828</u>	<u>48,969</u>	<u>48,691</u>	<u>278</u>
TOTAL EXPENDITURES	<u>\$ 167,267</u>	<u>\$ 40,866</u>	<u>\$ 208,133</u>	<u>\$ 169,225</u>	<u>\$ 38,908</u>

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION-PART II

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 8,676,877	\$ 169,225
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding Encumbrances Current Year		(7,758)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State Aid Receivable Prior Year	70,433	
State Aid Receivable Current Year	(84,517)	
Total Revenues (GAAP Basis)	\$ 8,662,793	\$ 161,467
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 7,990,150	\$ 169,225
Differences-Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding Encumbrances Current Year		(7,758)
Total Expenditures (GAAP Basis)	\$ 7,990,150	\$ 161,467

REQUIRED SUPPLEMENTARY INFORMATION-PART III

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-TEACHER'S PENSION AND ANNUITY FUND
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)- Percentage		0.00%	0.00%							
District's Proportion of the Net Pension Liability (Asset)- Value	N/A	\$ -	\$ -	N/A						
State's Proportionate Share of the Net Pension Liability (Asset) Associated With The District		19,825,900	19,015,161							
Total	\$ -	\$ 19,825,900	\$ 19,015,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll		\$ 3,598,130	\$ 3,671,307							
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	N/A	0.00%	0.00%	N/A						
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		33.64%	33.76%							

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS-TEACHER'S PENSION AND ANNUITY FUND
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 200,326	\$ 156,927	\$ 243,115	\$ 124,207	\$ 11,458	\$ 11,591	\$ 10,466	\$ 241,055	\$ 244,828	\$ 33,138
Contributions in Relation to the Contractually Required Contribution	(200,326)	(156,927)	(243,115)	(124,207)	(11,458)	(11,591)	(10,466)	(241,055)	(244,828)	(33,138)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 3,698,702	\$ 3,598,130	\$ 3,671,307	\$ 3,656,942	\$ 3,613,955	\$ 3,824,073	\$ 3,623,846	\$ 3,252,706	\$ 3,163,608	\$ 3,056,263
Contributions as a Percentage of Covered Employee Payroll	5.42%	4.36%	6.62%	3.40%	0.32%	0.30%	0.29%	7.41%	7.74%	1.08%

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)- Percentage		0.0093651566%	0.0101401554%							
District's Proportion of the Net Pension Liability (Asset)- Value		\$ 1,753,413	\$ 1,937,985							
District's Covered Employee Payroll	N/A	701,394	623,478	N/A						
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll		249.99%	310.83%							
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		52.08%	48.72%							

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS-PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 77,205	\$ 76,404	\$ 78,816	\$ 75,557	\$ 75,832	\$ 58,495	\$ 54,546	\$ 32,698	\$ 19,346	\$ 10,125
Contributions in Relation to the Contractually Required Contribution	(77,205)	(76,404)	(78,816)	(75,557)	(75,832)	(58,495)	(54,546)	(32,698)	(19,346)	(10,125)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 720,740	\$ 701,394	\$ 623,478	\$ 710,120	\$ 690,413	\$ 678,058	\$ 643,547	\$ 676,492	\$ 622,257	\$ 530,000
Contributions as a Percentage of Covered Employee Payroll	10.71%	10.89%	12.64%	10.64%	10.98%	8.63%	8.48%	4.83%	3.11%	1.91%

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION-PART III

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
(UNAUDITED)

JUNE 30, 2014 AND 2013

NOTE 1. SPECIAL FUNDING SITUATION-TPAF

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Teachers' Pension and Annuity Fund allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.

OTHER SUPPLEMENTAL INFORMATION

SCHOOL LEVEL SCHEDULES

(NOT APPLICABLE TO THIS REPORT)

SPECIAL REVENUE FUND

DETAIL STATEMENTS

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	IDEA Basic	IDEA Preschool	NCLB Title IA	NCLB Title IIA	REAP	Local Grants	Total
REVENUES							
Local Sources						\$ 722	\$ 722
Federal Sources	\$ 95,256	\$ 6,061	\$ 21,799	\$ 10,813	\$ 34,574		168,503
TOTAL REVENUES	\$ 95,256	\$ 6,061	\$ 21,799	\$ 10,813	\$ 34,574	\$ 722	\$ 169,225
EXPENDITURES							
Instruction:							
Salaries	\$ 64,357	\$ 5,630	\$ 17,301	\$ 1,500	\$ 10,000		\$ 98,788
General Supplies					21,024	\$ 722	21,746
Totals	64,357	5,630	17,301	1,500	31,024	722	120,534
Support Services:							
Salaries	24,130						24,130
Personal Services-Employee Benefits	6,769	431	4,498		3,550		15,248
Other Purchased Services				9,313			9,313
Total	30,899	431	4,498	9,313	3,550	-	48,691
TOTAL EXPENDITURES	\$ 95,256	\$ 6,061	\$ 21,799	\$ 10,813	\$ 34,574	\$ 722	\$ 169,225

CAPITAL PROJECTS FUND

DETAIL STATEMENTS

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Revenues and Other Financing Sources:	
State Sources-SDA Grant	\$ 411,300
Transfer In from Capital Reserve	675,543
Total Revenues	<u>1,086,843</u>
Expenditures and Other Financing Uses:	
Construction Services	\$ 514,950
Purchased Professional & Technical Services	97,377
Total Expenditures	<u>612,327</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	474,516
Fund Balance-Beginning	<u>594,487</u>
Fund Balance-Ending	<u>\$ 1,069,003</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
ADDITION OF A SECURITY VESTIBULE AND OFFICE RENOVATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Local Sources:				
Transfer In from Capital Reserve	\$ 650,000	\$ 58,593	\$ 708,593	\$ 708,593
Total Revenues	650,000	58,593	708,593	708,593
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	54,758	7,929	62,687	80,000
Construction Services	755	229,822	230,577	623,593
Fees and Permits				5,000
Total Expenditures	55,513	237,751	293,264	708,593
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 594,487	\$ (179,158)	\$ 415,329	\$ -
Additional Project Information:				
Project Number	1160-050-13-3000			
Project Date	06/04/13			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 599,620			
Additional Authorized Cost	\$ 108,973			
Revised Authorized Cost	\$ 708,593			
Percentage Complete	41.39%			

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
WINDOW AND ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Grant		\$ 411,300	\$ 411,300	\$ 411,300
Local Sources:				
Transfer In from Capital Reserve		616,950	616,950	616,950
Total Revenues	\$ -	1,028,250	1,028,250	1,028,250
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services		89,448	89,448	140,000
Construction Services		285,128	285,128	888,250
Total Expenditures	-	374,576	374,576	1,028,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 653,674	\$ 653,674	\$ -

Additional Project Information:

Project Number	1160-050-14-1001
Project Date	01/22/15
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,028,250
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,028,250
Percentage Complete	36.43%

PROPRIETARY FUND

DETAIL STATEMENTS

Proprietary 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 district's board is that the costs of providing goods or services be financed through user charges.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FUND NET POSITION
FOOD SERVICE ENTERPRISE FUND
JUNE 30, 2015

	Food Service Fund
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 5,945
Receivables from Other Governments:	
State	91
Federal	2,402
Inventory	2,559
Total Current Assets	10,997
Noncurrent Assets:	
Capital Assets	34,294
Less: Accumulated Depreciation	(18,712)
Total Noncurrent Assets	15,582
Total Assets	26,579
LIABILITIES	
Current Liabilities:	
Unearned Revenues	1,613
Total Liabilities	1,613
NET POSITION	
Net Investment in Capital Assets	15,582
Unrestricted	9,384
TOTAL NET POSITION	\$ 24,966

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
FOOD SERVICE ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 49,107
Daily Sales-Nonreimbursable Programs	19,264
Total Operating Revenues	68,371
Operating Expenses:	
Cost of Sales-Reimbursable Programs	34,182
Cost of Sales-Nonreimbursable Programs	13,293
Salaries	37,502
Employee Benefits	5,671
Purchased Property Services (Repairs)	1,279
Insurance	3,522
Management Fee	7,547
Other Purchased Services	2,030
Supplies and Materials	3,295
Miscellaneous	42
Depreciation	651
Total Operating Expenses	109,014
Operating Income (Loss)	(40,643)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,161
Federal Sources:	
National School Lunch Program	30,130
Food Donation Program	11,502
Interest Earned on Investments	19
Total Nonoperating Revenues (Expenses)	42,812
Other Financing Sources:	
Operating Transfer In	16,000
Change in Net Position	18,169
Net Position, Beginning	6,797
Net Position, Ending	\$ 24,966

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FUND CASH FLOWS
FOOD SERVICE ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 68,371
Payments to Food Service Management Co	(95,298)
Payments to Vendors (Net)	(2,139)
Interfund Activity	(1,000)
Net Cash Provided by (Used For) Operating Activities	(30,066)
Cash Flows from Noncapital Financing Activities:	
State Sources	1,240
Federal Sources	29,970
Operating Transfer In	16,000
Net Cash Provided by (Used For) Noncapital Financing Activities	47,210
Cash Flows from Capital Financing Activities:	
Acquisition of Equipment	(12,207)
Net Cash Provided by (Used For) Capital Financing Activities	(12,207)
Cash Flows from Investing Activities:	
Interest Earned on Investments	19
Net Cash Provided by (Used For) Investing Activities	19
Net Increase (Decrease) in Cash and Cash Equivalents	4,956
Cash and Cash Equivalents, Beginning	989
Cash and Cash Equivalents, Ending	\$ 5,945
Reconciliation of Operating Income (Loss) to Net Cash Provide by (Used For)	
Operating Activities:	
Operating Income (Loss)	\$ (40,643)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	651
Federal Food Donation Program	11,502
(Increase) Decrease in Inventory	(324)
Increase (Decrease) in Accounts Payable	(17)
Increase (Decrease) in Unearned Revenue	(235)
Increase (Decrease) in Due to Other Funds	(1,000)
Net Cash Provided by (Used For) Operating Activities	\$ (30,066)

FIDUCIARY FUND

DETAIL STATEMENTS

Fiduciary Fund are used to account for funds received by the school district as an agent for individuals, private organizations, other governments and/or other funds.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY FUND NET POSITION
JUNE 30, 2015

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund	Total
ASSETS				
Cash & Cash Equivalents	\$ 123,282	\$ 25,350	\$ 42,627	\$ 191,259
Due from Other Funds	2,972			2,972
Total Assets	<u>126,254</u>	<u>25,350</u>	<u>42,627</u>	<u>194,231</u>
LIABILITIES				
Due to Other Funds			3,572	3,572
Payroll Deductions & Withholdings			39,055	39,055
Due to Student Groups		25,350		25,350
Total Liabilities	<u>-</u>	<u>25,350</u>	<u>42,627</u>	<u>67,977</u>
NET POSITION				
Held in Trust for Unemployment Claims & Other Purposes	<u>126,254</u>	<u>-</u>	<u>-</u>	<u>126,254</u>
TOTAL NET POSITION	<u>\$ 126,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,254</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Fund</u>
ADDITIONS	
Contributions:	
Employee Withholdings	\$ 8,026
Investment Earnings-Interest	237
Total Additions	<u>8,263</u>
DEDUCTIONS	
Unemployment Claims	<u>-</u>
Change in Net Position	8,263
Net Position, Beginning of the Year	<u>117,991</u>
Net Position, End of the Year	<u><u>\$ 126,254</u></u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
ASSETS				
Cash & Cash Equivalents	\$ 30,408	\$ 66,868	\$ 71,926	\$ 25,350
Due from Other Funds	2,033		2,033	
TOTAL ASSETS	\$ 32,441	\$ 66,868	\$ 73,959	\$ 25,350
LIABILITIES				
Student Activities	\$ 32,441	\$ 66,868	\$ 73,959	\$ 25,350
TOTAL LIABILITIES	\$ 32,441	\$ 66,868	\$ 73,959	\$ 25,350

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance 07/01/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/15</u>
ASSETS				
Cash & Cash Equivalents	\$ 44,308	\$ 5,323,382	\$ 5,325,063	\$ 42,627
TOTAL ASSETS	<u>\$ 44,308</u>	<u>\$ 5,323,382</u>	<u>\$ 5,325,063</u>	<u>\$ 42,627</u>
LIABILITIES				
Due to Other Funds	\$ 2,873	\$ 11,213	10,514	\$ 3,572
Payroll Deductions & Withholdings	41,435	\$ 2,473,967	\$ 2,476,347	39,055
Net Payroll		<u>2,838,202</u>	<u>2,838,202</u>	
TOTAL LIABILITIES	<u>\$ 44,308</u>	<u>\$ 5,323,382</u>	<u>\$ 5,325,063</u>	<u>\$ 42,627</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 SCHEDULE OF SERIAL BONDS
 JUNE 30, 2015

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/01/14	Issued	Retired	Balance 06/30/15
			Date	Amount					
2007 Refunding Bond	04/17/07	\$ 1,845,000	01/15/16	\$ 190,000	3.750%				
			01/15/17	205,000	4.000%				
			01/15/18	215,000	5.000%	\$ 790,000		\$ 180,000	\$ 610,000
						\$ 790,000	\$ -	\$ 180,000	\$ 610,000

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 215,950		\$ 215,950	\$ 215,950	
Total Revenues	<u>215,950</u>	<u>\$ -</u>	<u>215,950</u>	<u>215,950</u>	<u>\$ -</u>
EXPENDITURES					
Regular Debt Service:					
Interest on Bonds	35,950		35,950	35,950	
Redemption of Bond Principal	180,000		180,000	180,000	
Total Expenditures	<u>215,950</u>	<u>-</u>	<u>215,950</u>	<u>215,950</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
STATISTICAL SECTION J SERIES

CONTENTS	PAGE
FINANCIAL TRENDS	
These Schedules Contain Trend Information to Help the Reader Understand how the District's Financial Performance and Well Being have Changed Over Time.	J-1 to J-5
REVENUE CAPACITY	
These Schedules Contain Trend Information to Help the Reader Assess the District's most Significant Local Revenue Sources, the Property Tax.	J-6 to J-9
DEBT CAPACITY	
These Schedules Contain Trend Information to Help the Reader Assess the Affordability of the District's Current Levels of Outstanding Debt and the District's Ability to Issue Additional Debt in the Future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These Schedules Offer Demographic and Economic Indicators to Help the Reader Understand the Environment Within Which the District's Financial Activities Take Place.	J-14 to J-15
OPERATING INFORMATION	
These Schedules Contain Service and Infrastructure Data to Help the Reader Understand how the Information in the District's Financial Report Relates to the Services the District Provides and the Activities it Performs.	J-16 to J-20

Sources: Unless Otherwise noted, the Information in these Schedules is
Derived from the Comprehensive Annual Financial Reports (CAFR) for the
Relevant Year.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GOVERNMENT ACTIVITIES										
Net Investment in Capital Assets	\$ 1,117,647	\$ 1,343,485	\$ 1,415,605	\$ 1,558,634	\$ 1,630,478	\$ 1,712,902	\$ 1,896,570	\$ 1,982,622	\$ 2,258,242	\$ 2,921,483
Restricted	1	69,328	204,684	216,069	316,516	445,477	595,954	1,081,120	1,481,079	2,036,753
Unrestricted	131,463	2,728	145,987	184,286	215,866	173,225	230,515	96,682	(1,717,749)	(1,823,635)
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS	\$ 1,249,111	\$ 1,415,541	\$ 1,766,276	\$ 1,958,989	\$ 2,162,860	\$ 2,331,604	\$ 2,723,039	\$ 3,160,424	\$ 2,021,572	\$ 3,134,601
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 752	\$ 311					\$ 4,920	\$ 4,473	\$ 4,026	\$ 15,582
Unrestricted	7,902	2,322	\$ 1,736	\$ 2,658	\$ 1,772	\$ 1,990	1,558	2,175	2,771	9,384
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 8,654	\$ 2,633	\$ 1,736	\$ 2,658	\$ 1,772	\$ 1,990	\$ 6,478	\$ 6,648	\$ 6,797	\$ 24,966
DISTRICT-WIDE										
Net Investment in Capital Assets	\$ 1,118,399	\$ 1,343,796	\$ 1,415,605	\$ 1,558,634	\$ 1,630,478	\$ 1,712,902	\$ 1,901,490	\$ 1,987,095	\$ 2,262,268	\$ 2,937,065
Restricted	1	69,328	204,684	216,069	316,516	445,477	595,954	1,081,120	1,481,079	2,036,753
Unrestricted	139,365	5,050	147,723	186,944	217,638	175,215	232,073	98,857	146,603	(1,814,251)
TOTAL DISTRICT-WIDE	\$ 1,257,765	\$ 1,418,174	\$ 1,768,012	\$ 1,961,647	\$ 2,164,632	\$ 2,333,594	\$ 2,729,517	\$ 3,167,072	\$ 3,889,950	\$ 3,159,567

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EXPENSES										
Governmental Activities:										
Instruction:										
Regular	\$ 3,197,513	\$ 3,357,920	\$ 3,488,678	\$ 3,353,265	\$ 3,599,630	\$ 3,533,207	\$ 3,612,534	\$ 3,738,010	\$ 3,601,495	\$ 4,392,107
Special Education	738,644	797,610	898,314	1,013,353	1,022,559	1,049,760	1,118,298	1,060,684	953,478	1,112,211
Other Special Education	147,883	114,465	141,161	170,678	187,076	132,092	90,503	92,562	69,602	127,513
Other Instruction	59,366	70,453	76,454	78,592	78,198	77,259	78,738	84,510	114,741	91,954
Support Services:										
Tuition	43,068	91,597	60,719	65,387	43,250	68,876	36,000	41,300	41,300	75,555
Student & Instruction Related Services	815,158	895,843	916,512	928,158	971,995	945,907	1,057,024	1,113,104	1,214,838	1,524,577
General & Business Administrative Services	540,790	659,019	538,886	546,919	560,355	573,240	651,502	606,134	621,351	641,568
School Administrative Services	178,750	202,483	192,146	191,632	223,234	242,512	225,723	235,065	235,075	247,784
Plant Operations & Maintenance	558,139	657,183	634,316	720,339	682,359	692,903	715,130	797,049	777,315	737,910
Pupil Transportation	403,638	439,639	454,186	453,296	437,161	420,495	408,958	382,429	386,857	408,896
Interest on Long-Term Debt	107,491	98,027	77,789	70,558	65,403	59,390	53,346	42,039	40,688	29,226
Total Governmental Activities Expenses	<u>6,790,440</u>	<u>7,384,239</u>	<u>7,479,161</u>	<u>7,592,177</u>	<u>7,871,220</u>	<u>7,795,641</u>	<u>8,047,756</u>	<u>8,192,886</u>	<u>8,056,740</u>	<u>9,389,301</u>
Business-Type Activities:										
	<u>159,912</u>	<u>157,766</u>	<u>161,116</u>	<u>161,139</u>	<u>164,944</u>	<u>142,249</u>	<u>143,133</u>	<u>138,443</u>	<u>108,591</u>	<u>109,014</u>
Total Business-Type Activities	<u>159,912</u>	<u>157,766</u>	<u>161,116</u>	<u>161,139</u>	<u>164,944</u>	<u>142,249</u>	<u>143,133</u>	<u>138,443</u>	<u>108,591</u>	<u>109,014</u>
TOTAL DISTRICT EXPENSES	<u>\$ 6,950,352</u>	<u>\$ 7,542,005</u>	<u>\$ 7,640,277</u>	<u>\$ 7,753,316</u>	<u>\$ 8,036,164</u>	<u>\$ 7,937,890</u>	<u>\$ 8,190,889</u>	<u>\$ 8,331,329</u>	<u>\$ 8,165,331</u>	<u>\$ 9,498,315</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PROGRAM REVENUES										
Governmental Activities:										
Operating Grants & Contributions	\$ 155,160	\$ 204,885	\$ 153,415	\$ 161,014	\$ 272,282	\$ 197,096	\$ 211,666	\$ 195,507	\$ 183,694	\$ 161,467
Charges for Services									404,492	339,889
Total Governmental Activities Program Revenues	155,160	204,885	153,415	161,014	272,282	197,096	211,666	195,507	588,186	501,356
Business-Type Activities:										
Charges for Services:										
Food Service	118,362	116,428	118,820	115,674	107,787	96,336	83,808	75,725	72,709	68,371
Operating Grants & Contributions	24,771	22,886	22,279	25,750	30,672	30,000	33,338	32,124	36,000	42,793
Total Business-Type Activities Program Revenues	143,133	139,314	141,099	141,424	138,459	126,336	117,146	107,849	108,709	111,164
TOTAL DISTRICT-PROGRAM REVENUES	\$ 298,293	\$ 344,199	\$ 294,514	\$ 302,438	\$ 410,741	\$ 323,432	\$ 328,812	\$ 303,356	\$ 696,895	\$ 612,520
NET (EXPENSE) REVENUES										
Governmental Activities	\$ (6,635,280)	\$ (7,179,354)	\$ (7,325,746)	\$ (7,431,163)	\$ (7,598,938)	\$ (7,598,545)	\$ (7,836,090)	\$ (7,997,379)	\$ (7,468,554)	\$ (8,887,945)
Business-Type Activities	(16,779)	(18,452)	(20,017)	(19,715)	(26,485)	(15,913)	(25,987)	(30,594)	118	2,150
TOTAL DISTRICT-WIDE NET EXPENSES	\$ (6,652,059)	\$ (7,197,806)	\$ (7,345,763)	\$ (7,450,878)	\$ (7,625,423)	\$ (7,614,458)	\$ (7,862,077)	\$ (8,027,973)	\$ (7,468,436)	\$ (8,885,795)
GENERAL REVENUES & OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 5,159,288	\$ 5,428,320	\$ 5,645,453	\$ 5,871,271	\$ 6,106,122	\$ 6,271,835	\$ 6,397,271	\$ 6,454,847	\$ 6,551,669	\$ 6,649,944
Property Taxes Levied for Debt Service	297,410	296,679	294,709	278,059	215,950	215,512	214,700	213,700	217,513	215,950
Unrestricted Grants & Contributions	1,302,524	1,536,919	1,567,611	1,255,574	1,248,081	1,078,042	1,335,830	1,419,554	1,401,575	2,713,850
Tuition Income	27,266	34,600	103,141	154,310	165,105	126,182	164,809	225,458		
Investment Earnings	39,282	55,076	39,032	12,262	5,197	6,775	9,428	6,989	7,481	7,594
Miscellaneous Income	16,218	11,435	45,035	72,900	87,854	84,943	90,133	83,946	13,045	18,336
Contributions-Acquisition of Capital Assets							5,000			
Operating Transfer	(18,000)	(11,000)	(18,500)	(20,500)	(25,500)	(16,000)	(30,368)	(30,700)		(16,000)
Capital Grants-Unallocated	31,360	16,600					40,722			411,300
Special Item-Insurance Proceeds for Storm Damage								60,970		
Special Item-Payment to Refunding Agent		(22,845)								
Total Governmental Activities	6,855,348	7,345,784	7,676,481	7,623,876	7,802,809	7,767,289	8,227,525	8,434,764	8,191,283	10,000,974

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL REVENUES & OTHER CHANGES IN NET POSITION (Cont'd)										
Business-Type Activities:										
Investment Earnings	\$ 1,415	\$ 1,431	\$ 620	\$ 137	\$ 99	\$ 131	\$ 107	\$ 64	\$ 31	\$ 19
Transfers	18,000	11,000	18,500	20,500	25,500	16,000	30,368	30,700		16,000
Total Business-Type Activities	19,415	12,431	19,120	20,637	25,599	16,131	30,475	30,764	31	16,019
TOTAL DISTRICT-WIDE	<u>\$ 6,874,763</u>	<u>\$ 7,358,215</u>	<u>\$ 7,695,601</u>	<u>\$ 7,644,513</u>	<u>\$ 7,828,408</u>	<u>\$ 7,783,420</u>	<u>\$ 8,258,000</u>	<u>\$ 8,465,528</u>	<u>\$ 8,191,314</u>	<u>\$ 10,016,993</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 220,068	\$ 166,430	\$ 350,735	\$ 192,713	\$ 203,871	\$ 168,744	\$ 391,435	\$ 437,385	\$ 722,729	\$ 1,113,029
Business-Type Activities	2,636	(6,021)	(897)	922	(886)	218	4,488	170	149	18,169
TOTAL DISTRICT	<u>\$ 222,704</u>	<u>\$ 160,409</u>	<u>\$ 349,838</u>	<u>\$ 193,635</u>	<u>\$ 202,985</u>	<u>\$ 168,962</u>	<u>\$ 395,923</u>	<u>\$ 437,555</u>	<u>\$ 722,878</u>	<u>\$ 1,131,198</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted	\$ 203,474	\$ 144,904	\$ 143,248	\$ 198,525	\$ 182,162	\$ 206,925	\$ 224,730	\$ 208,623	\$ 222,010	\$ 224,584
Committed	1	69,328	195,692	216,069	316,516	299,407	484,407	1,081,120	886,592	967,750
Assigned	33,210	36,125	100,490	78,492	94,736	44,306	153,703	53,314	114,441	30,798
Unassigned	81,864	216,514	216,641	176,270	212,882	243,221	238,474	216,881	209,694	190,705
Total General Fund	<u>\$ 318,549</u>	<u>\$ 466,871</u>	<u>\$ 656,071</u>	<u>\$ 669,356</u>	<u>\$ 806,296</u>	<u>\$ 793,859</u>	<u>\$ 1,101,314</u>	<u>\$ 1,559,938</u>	<u>\$ 1,432,737</u>	<u>\$ 1,413,837</u>
All Other Governmental Funds:										
Restricted, Reported In:										
Capital Projects Fund	\$ (175,967)	\$ (146,686)	\$ (73,343)			\$ 146,070	\$ 111,547		\$ 594,487	\$ 1,069,003
Assigned, Reported in:										
Debt Service Fund		20	8,993							
Total All Other Governmental Funds	<u>\$ (175,967)</u>	<u>\$ (146,666)</u>	<u>\$ (64,350)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,070</u>	<u>\$ 111,547</u>	<u>\$ -</u>	<u>\$ 594,487</u>	<u>\$ 1,069,003</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Tax Levy	\$ 5,456,698	\$ 5,724,999	\$ 5,940,162	\$ 6,149,330	\$ 6,322,072	\$ 6,487,347	\$ 6,611,971	\$ 6,668,547	\$ 6,769,182	\$ 6,865,894
Tuition Charges	27,266	34,600	103,141	154,310	165,105	126,182	164,809	225,458	244,521	255,471
Interest Earnings	39,282	55,076	39,032	12,262	5,197	6,775	9,428	6,989	7,481	7,594
Miscellaneous	16,218	11,435	45,035	72,900	87,854	97,213	116,243	85,513	79,807	103,476
State Sources	1,335,639	1,572,176	1,581,990	1,257,539	1,250,052	1,078,078	1,348,231	1,419,554	1,401,787	2,058,330
Federal Sources	153,405	186,228	139,036	159,049	270,311	184,790	213,877	193,940	182,159	160,745
Total Revenues	7,028,508	7,584,514	7,848,396	7,805,390	8,100,591	7,980,385	8,464,559	8,600,001	8,684,937	9,451,510
Expenditures:										
Instruction:										
Regular Instruction	2,363,860	2,323,218	2,455,401	2,466,284	2,616,000	2,525,779	2,604,108	2,570,371	2,524,077	2,598,538
Special Education Instruction	507,117	453,191	614,661	739,322	698,990	704,935	718,883	684,787	604,865	638,358
Other Special Instruction	74,952	76,902	79,369	112,287	117,588	84,454	47,961	47,471	35,438	62,870
Other Instruction	57,270	68,190	74,434	76,690	76,427	75,481	76,994	82,490	83,497	89,547
Support Services:										
Tuition	5,006	53,535	29,413	35,974	4,000	68,876	36,000	41,300	41,300	75,555
Student & Instruction Related Services	564,726	633,368	643,247	685,502	681,437	689,390	722,184	742,722	807,583	890,500
General Administration	269,524	285,251	289,665	289,152	297,667	285,970	306,196	295,625	276,689	278,481
School Administration Services	137,096	147,245	153,340	159,193	168,036	154,046	159,682	160,734	162,875	170,559
Central Services	144,375	187,501	124,642	129,491	131,659	140,594	153,385	157,667	163,686	166,117
Administrative Information Technology	13,500	10,215	7,045	7,345	4,000	2,395	2,395	5,786	4,040	4,790
Plant Operations & Maintenance	504,380	569,419	568,733	707,954	580,969	571,298	601,933	695,720	652,233	649,605
Pupil Transportation	403,638	439,639	454,186	453,296	437,161	420,495	408,958	382,429	386,857	408,896
Employee Benefits	848,050	945,283	917,177	946,182	1,057,596	1,091,551	1,107,553	1,153,251	1,166,309	1,155,666
On-Behalf TPAF Pension & Soc Sec Contributions	502,831	733,378	738,576	474,191	515,812	523,392	649,435	789,070	676,297	789,278
Capital Outlay		42,683	157,095	42,577						
Capital Projects	65,655	100,248				21,930	75,245		55,513	612,327
Special Revenue Funds	155,160	204,885	153,415	161,014	272,282	197,096	211,666	195,507	183,694	161,467
Debt Service:										
Principal	190,288	193,343	223,343	213,343	150,000	155,000	160,000	165,000	175,000	180,000
Interest & Other Charges	107,122	103,336	62,393	73,709	65,950	60,512	54,700	49,115	43,696	37,133
Total Expenditures	6,914,550	7,528,147	7,631,723	7,888,024	7,918,151	7,805,752	8,136,259	8,283,194	8,217,651	8,979,894
Excess (Deficiency) of Revenues Over (Under) Expenditures	113,958	56,367	216,673	(82,634)	182,440	174,633	328,300	316,807	467,286	471,616
Other Financing Sources (Uses):										
Capital Leases (Non-Budgeted)				107,426						
Proceeds from Bond Issue		1,885,000								
Payments to Refunding Bond Escrow Agent		(1,877,845)								
Proceeds from Bond Issue Premium		51,758								
Temporary Note Paid in Debt Service Fund	75,288	73,343	73,343	73,343						
Insurance Claim Proceeds for Storm Damage								60,970		
Transfers Out	(18,000)	(11,000)	(18,500)	(20,500)	(45,500)	(41,000)	(55,368)	(30,700)		(16,000)
Total Other Financing Sources (Uses)	57,288	121,256	54,843	160,269	(45,500)	(41,000)	(55,368)	30,270	-	(16,000)
Net Change in Fund Balances	\$ 171,246	\$ 177,623	\$ 271,516	\$ 77,635	\$ 136,940	\$ 133,633	\$ 272,932	\$ 347,077	\$ 467,286	\$ 455,616
Debt Service as a Percentage of Non- capital Expenditures	4.54%	4.16%	3.91%	3.86%	2.82%	2.86%	2.75%	2.67%	2.81%	2.67%

Source: District Records

NOTE: Noncapital expenditures are total expenditures less capital outlay, capital projects and debt service.
 Central Service and Administrative Information Technology account classifications were added
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
GENERAL FUND-OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Description	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Interest Income	\$ 39,263	\$ 55,076	\$ 39,032	\$ 12,262	\$ 5,197	\$ 6,775	\$ 9,428	\$ 6,989	\$ 7,481	\$ 7,594
Tuition	27,266	34,600	103,141	154,310	165,105	126,182	164,809	225,458	244,521	255,471
Building Use Fees	4,616	4,600	5,219	5,818	5,350	5,050	6,362	9,826	5,703	5,866
Millford Board of Education-Interlocal Government Fees			29,659	51,344	53,514	54,320	56,703	59,708	63,976	78,552
Insurance Rebates					3,283	2,962				
Prior Year Refunds	170	1,588	760	4,059	768			4	1,770	1,300
Lost Books and Fines	279	455	1,012	190	199	132	86	120		96
Sale of Surplus Equipment & Supplies					3,300		2,851	200	300	
Fund 20-Cancellation of Balance (Day Care Program)				3,637						
Consulting Services					13,875	14,250	12,000	1,500		
E Rate Reimbursements	9,589	4,772	8,026	7,852	7,564	6,874	6,698	3,210		12,628
Donations										
Miscellaneous Other			359		1		1,179	23		3,312
Solar Bond Excess								5,000		
Energy Audit								2,855		
Transportation Fees						405		500		
Safety Incentive								1,000		1,000
Sale of Plans & Specifications						950				
Bully Prevention Aid							747			
FEMA Aid									750	
Prior Year Accounts Payable Canceled									3,732	
Outstanding Checks Voided	1,564						3,507		2,253	
Annual Totals	\$ 82,747	\$ 101,091	\$ 187,208	\$ 239,472	\$ 258,156	\$ 217,900	\$ 264,370	\$ 316,393	\$ 330,486	\$ 365,819

Source: District Records

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 16,372,100	\$ 14,327,800	\$ 14,132,800	\$ 13,832,800	\$ 13,767,300	\$ 13,492,900	\$ 12,970,200	\$ 9,304,400	\$ 8,780,700	\$ 8,399,600
Residential	515,711,800	518,694,600	523,094,200	527,491,700	527,938,000	531,967,900	533,983,300	447,094,600	448,217,200	450,127,700
Farm Regular	139,440,600	141,016,700	141,769,700	140,841,000	141,055,000	138,144,900	138,541,500	118,965,000	118,396,800	116,320,800
Farm Qualified	4,924,161	5,014,720	5,287,057	5,528,620	5,544,700	5,264,900	4,983,300	4,982,900	4,985,500	4,972,000
Commercial	104,403,461	103,801,561	103,980,461	94,686,561	94,870,161	95,119,461	94,992,961	87,525,600	87,284,700	85,051,600
Industrial	-	-	-	-	-	-	-	-	-	-
Apartment	2,188,600	2,188,600	2,188,600	2,188,600	2,142,700	2,142,700	2,142,700	2,262,200	2,262,200	2,262,200
Total Assessed Value	783,040,722	785,043,981	790,452,818	784,569,281	785,317,861	786,132,761	787,613,961	670,134,700	669,927,100	667,133,900
Public Utilities (a)	1,193,212	1,263,700	1,272,179	1,261,509	2,216,404	1,831,762	1,837,214	1,757,313	876,506	916,552
Net Valuation Taxable	\$ 784,233,934	\$ 786,307,681	\$ 791,724,997	\$ 785,830,790	\$ 787,534,265	\$ 787,964,523	\$ 789,451,175	\$ 671,892,013	\$ 670,803,606	\$ 668,050,452
Estimated Actual County Equalized Value	\$ 775,407,887	\$ 849,173,621	\$ 843,679,175	\$ 808,335,681	\$ 810,322,624	\$ 809,164,636	\$ 785,298,888	\$ 754,125,900	\$ 726,528,329	\$ 726,140,924
Percentage of Net Valuations to Estimated Actual County Equalized Value	101.14%	92.60%	93.84%	97.22%	97.19%	97.38%	100.53%	89.10%	92.33%	92.00%
Total Direct School Tax Rate (b)	\$ 0.730	\$ 0.755	\$ 0.776	\$ 0.804	\$ 0.824	\$ 0.839	\$ 0.845	\$ 1.008	\$ 1.024	\$ 1.043

*

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 the County Board of Taxation requests Treasury to order a reassessment
 (a) Taxable Value of Machinery, Implements and Equipments of Telephone and Messenger System Companies
 (b) Tax rates are per \$100
 * Revalued/Reassessed

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate							Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Regional School Debt	Overlapping Rates		
			Direct School Tax Rate	Total		Municipality	County	
2006	\$ 0.692	\$ 0.038	\$ 0.730	\$ 0.515	\$ 0.177	\$ 0.353	\$ 0.022	\$ 1.797
2007	0.718	0.037	0.755	0.457	0.177	0.359	0.024	1.77
2008	0.742	0.035	0.777	0.435	0.180	0.355	0.025	1.77
2009	0.772	0.032	0.804	0.469	0.189	0.354	0.024	1.84
2010	0.796	0.028	0.824	0.453	0.190	0.352	0.024	1.84
2011	0.814	0.025	0.839	0.519	0.190	0.353	0.024	1.93
2012	0.811	0.034	0.845	0.498	0.189	0.353	0.028	1.91
2013	* 0.975	0.033	1.008	0.584	0.224	0.408	0.033	2.26
2014	0.992	0.032	1.024	0.599	0.224	0.403	0.033	2.28
2015	1.010	0.033	1.043	0.595	0.224	0.404	0.034	2.30

Sources: 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 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.

* Revalued/Reassessed

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS,
 CURRENT YEAR AND NINE YEARS AGO

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Texas Eastern Transmission Corp	\$ 37,706,600	1	5.64%	\$ 42,282,000	1	5.39%
The Ridge at Back Brook Road	10,500,000	2	1.57%	19,756,700	2	2.52%
Algonquin Pipe Line Co	6,536,100	3	0.98%	8,288,100	3	1.06%
Bosum/Neely Partnership	3,527,000	4	0.53%	1,741,800	8	0.22%
Hunterdon Storage Inc	1,787,100	5	0.27%	2,781,000	4	0.35%
Southwick Farm LLC	1,720,900	6	0.26%			
Back Brook Farm LLC	1,708,300	7	0.26%			
Ringoes TLC LLC	1,513,000	8	0.23%	1,700,000	9	0.22%
Jordan, Sidney & T/Z Ifida Realty	1,511,900	9	0.23%	1,811,600	7	0.23%
Individual Property Owner	1,483,900	10	0.22%	1,947,700	6	0.25%
Buckeye Pipeline Co				2,636,700	5	0.34%
M & H Associates				1,467,400	10	0.19%
	<u>\$ 67,994,800</u>		<u>9.96%</u>	<u>\$ 84,413,000</u>		<u>10.76%</u>

Source: Municipal Tax Assessor

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2005	\$ 13,349,821	\$ 13,091,895	98.07%
2006	14,254,486	14,024,894	98.39%
2007	14,156,590	13,960,592	98.62%
2008	14,098,240	13,860,768	98.32%
2009	14,486,633	14,207,423	98.07%
2010	14,592,462	14,357,077	98.39%
2011	15,237,105	14,960,953	98.19%
2012	15,139,056	14,824,470	97.92%
2013	15,182,177	14,849,769	97.81%
2014	15,341,328	15,037,558	98.02%

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

School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is (a) 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2006	\$ 1,975,000		\$ 11,633	\$ 220,029		\$ 2,206,662	0.84%	\$ 491
2007	1,885,000		5,954	146,686		2,037,640	0.72%	452
2008	1,735,000			73,343		1,808,343	0.61%	402
2009	1,595,000		32,426			1,627,426	0.55%	363
2010	1,445,000		22,028			1,467,028	0.49%	327
2011	1,290,000		11,136			1,301,136	0.44%	324
2012	1,130,000					1,130,000	0.38%	283
2013	965,000					965,000	0.33%	243
2014	790,000					790,000	0.26%	199
2015	610,000					610,000	N/A	154

NOTE

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

- (a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (b) Includes Early Retirement Incentive Plan (ERIP) refunding

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	General Bonded Debt Outstanding		% of Actual Taxable Value (a) of Property	Per Capita (a)	
	General Obligation Bonds	Deductions			Net General Bonded Debt Outstanding
2006	\$ 1,975,000		\$ 1,975,000	0.25%	\$ 438
2007	1,885,000		1,885,000	0.24%	419
2008	1,735,000		1,735,000	0.22%	387
2009	1,595,000		1,595,000	0.20%	356
2010	1,445,000		1,445,000	0.18%	360
2011	1,290,000		1,290,000	0.16%	323
2012	1,130,000		1,130,000	0.14%	284
2013	965,000		965,000	0.14%	244
2014	790,000		790,000	0.12%	200
2015	610,000		610,000	0.09%	154

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

- (a) See Exhibit NJ J-6 for property tax data.
- (b) Population data can be found in Exhibit NJ J-14.
- * Revalued/Reassessed

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014

	Gross Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Municipality	\$ 4,660,792	100.00%	\$ 4,660,792
Regional High School	14,870,000	8.08%	1,202,012
County General Obligation Debt	70,347,424	3.52%	2,472,987
Subtotal, Overlapping Debt			8,335,791
School District Direct Debt			790,000
Total Direct and Overlapping Debt			<u>\$ 9,125,791</u>

Sources: Assessed Value Data Used to Estimate Applicable Percentages
Provided by the County Board of Taxation. Debt Outstanding Data
Provided by Each Governmental Unit.

Note: Overlapping Governments are those that Coincide, at least in Part, with the Geographic Boundaries of the District. This Schedule Estimates the Portion of the Outstanding Debt of Those Overlapping Governments that is Borne by the Residents and Businesses of the Municipality. 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION,
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized Valuation Basis	
		2014 \$ 728,260,789
		2013 725,803,856
		2012 <u>753,265,074</u>
		<u>\$ 2,207,329,719</u>
	Average Equalized Valuation of Taxable Property	<u>\$ 735,776,573</u>
	Debt Limit (3.0% of Average Equalization Value)	\$ 22,073,297 (a)
	Total Net Debt Applicable to Limit	<u>610,000</u>
	Legal Debt Margin	<u>\$ 21,463,297</u>

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	<u>\$ 19,689,474</u>	<u>\$ 21,939,305</u>	<u>\$ 23,836,848</u>	<u>\$ 24,671,896</u>	<u>\$ 23,234,325</u>	<u>\$ 24,486,256</u>	<u>\$ 23,961,866</u>	<u>\$ 23,417,001</u>	<u>\$ 23,417,001</u>	<u>\$ 22,073,297</u>
Total Net Debt Applicable	<u>2,195,029</u>	<u>2,031,686</u>	<u>1,808,343</u>	<u>1,595,000</u>	<u>610,000</u>	<u>1,290,000</u>	<u>1,130,000</u>	<u>965,000</u>	<u>965,000</u>	<u>610,000</u>
Legal Debt Margin	<u>\$ 17,494,445</u>	<u>\$ 19,907,619</u>	<u>\$ 22,028,505</u>	<u>\$ 23,076,896</u>	<u>\$ 22,624,325</u>	<u>\$ 23,196,256</u>	<u>\$ 22,831,866</u>	<u>\$ 22,452,001</u>	<u>\$ 22,452,001</u>	<u>\$ 21,463,297</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.15%	9.26%	7.59%	6.46%	2.63%	5.27%	4.72%	4.12%	4.12%	2.76%

Source: Equalized Valuation Bases were Obtained from the Annual Report of the State of New Jersey.
 Department of Treasury, Division of Taxation

(a) Limit Set by NJSA 18A.24-19

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2006	4,507	\$ 291,539,802	\$ 64,686	3.3%
2007	4,498	307,172,918	68,291	2.9%
2008	4,482	308,124,054	68,747	3.8%
2009	4,485	294,660,015	65,699	6.8%
2010	4,012	263,552,292	65,691	7.0%
2011	3,992	278,310,264	69,717	6.9%
2012	3,973	296,123,582	74,534	7.1%
2013	3,962	299,222,126	75,523	7.2%
2014	3,958	N/A	N/A	4.6%
2015	3,958	N/A	N/A	N/A

Sources:

- (a) Population Information Provided by the NJ Dept of Labor and Workforce Development
- (b) Personal Income has Been Estimated Based Upon the Municipal Population and Per Capita Personal Income Presented
- (c) Per Capita Personal Income by County Estimated Based Upon the 2010 Census Published by the US Bureau of Economic Analysis.
- (d) Unemployment Data Provided by the NJ Dept of Labor and Workforce Development

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Employer	2015			2006		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction:										
Regular	36.2	36.2	36.1	37.1	38.1	38.1	37.7	37.1	37.2	36.7
Special Education	13.8	14.4	14.8	18.3	17.3	16.3	16.0	15.5	15.0	17.5
Other Special Education										
Vocational										
Other Instruction-Aides										
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Student and Instruction Related Services	9.4	8.8	9.0	6.8	6.8	6.8	6.1	5.2	5.2	5.2
General Administration	2.1	2.1	2.1	2.5	2.5	2.5	2.7	2.9	3.0	3.0
School Administration Services	2.0	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Other Administrative Services										
Central Services	2.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Administrative Information Technology										
Plant Operations and Maintenance	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	5.0	5.0
Pupil Transportation										
Other Support Services										
Special Schools										
Food Service	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0		
Child Care										
Total	72.0	73.4	72.9	75.6	75.6	73.6	72.4	70.6	69.8	71.8

Sources: District Personnel Records

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	486	\$ 6,551,485	\$ 13,480	5.51%	54.0	1 to 9.00	485.9	469.1	1.65%	96.54%
2007	494	7,131,220	14,436	7.09%	57.0	1 to 8.66	496.5	486.4	2.18%	97.97%
2008	489	7,303,304	14,935	3.46%	54.0	1 to 9.05	489.6	480.6	-1.39%	98.16%
2009	487	7,443,877	15,285	2.34%	55.0	1 to 8.85	488.6	470.4	-0.20%	96.28%
2010	501	7,659,624	15,289	0.02%	58.0	1 to 8.64	501.3	482.3	2.60%	96.21%
2011	475	7,535,752	15,865	3.77%	57.0	1 to 8.33	475.4	465.5	-5.17%	97.92%
2012	446	7,807,333	17,505	10.34%	56.0	1 to 7.96	446.2	430.3	-6.14%	96.44%
2013	425	8,004,930	18,835	7.60%	52.6	1 to 8.08	429.6	413.0	-3.72%	96.14%
2014	410	7,769,440	18,950	0.61%	52.0	1 to 7.88	414.5	399.3	-3.51%	96.33%
2015	393	8,156,227	20,754	9.52%	54.0	1 to 6.70	390.9	375.7	-5.69%	96.11%

Source: District Records

(a) Operating Expenditures Equal Total Expenditures Less Debt Service and Capital Outlay.

(b) Teaching Staff Includes Only Full-Time Equivalents or Certificated Staff.

(c) Average Daily Enrollment and Average Daily Attendance are Obtained from the School Register Summary (SRS).

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS

DISTRICT BUILDING	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Elementary (1939)</u>										
Square Feet	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500
Capacity (Students)	530.0	530.0	530.0	530.0	530.0	530.0	530.0	530.0	530.0	530.0
Enrollment	491.0	494.0	489.0	487.0	501.0	475.0	450.0	450.0	410.0	393.0
Number of Schools at June 30, 2015:										
Elementary	1									
Middle School	0									
High School	0									
Other	0									

District Facilities Office

Year of Original Construction is shown in Parentheses. Increase in Square Footage and Capacity are the Result of Renovations and Additions. Enrollment is Based on the Annual October District Count.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

*School Facilities

	<u>Amount</u>	<u>Total</u>
2006	\$ 28,695	\$ 28,695
2007	56,775	56,775
2008	39,782	39,782
2009	148,187	148,187
2010	57,953	57,953
2011	43,546	43,546
2012	66,245	66,245
2013	75,950	75,950
2014	98,254	98,254
2015	96,765	96,765
Total School Facilities	<u>\$ 712,152</u>	<u>\$ 712,152</u>

* School Facilities as Defined Under EFCFA.
(NJAC 6A:26-1.2 and NJAC 6A:26A-1.3)

Source: District Records

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy-New Jersey Schools Insurance Group:		
Property-Blanket Building & Contents (Insurance Cooperative)	\$ 350,000,000	\$ 5,000
Equipment Breakdown	100,000,000	5,000
Electronic Data Processing	945,000	1,000
Comprehensive General Liability	11,000,000	1,000
Comprehensive Automobile Liability	11,000,000	1,000
Pollution Liability	11,000,000	25,000
Comprehensive Crime Coverage	100,000	500
Excess Liability	10,000,000	
Employee Benefits	11,000,000	1,000
Student Accident	5,000,000	
School Board Legal Liability-NJ Schools Insurance Group:		
Directors and Officers Policy	11,000,000	5,000
Workmen's Compensation-New Jersey Schools Insurance Group	2,000,000	
Public Employees' Faithful Performance-		
New Jersey Schools Insurance Group		
Business Admin Bond	200,000	

Source: District Records

SINGLE AUDIT SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
Fax # (908) 689-8388
(908) 689-5002

Independent Auditor's Report

October 30, 2015

Honorable President and
Members of the Board of Education
East Amwell Township School District
County of Hunterdon, New Jersey

We 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 Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the East Amwell Township School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements, and have issued our report thereon dated October 30, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board of Education's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

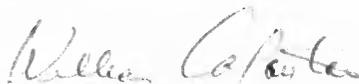
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we 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 Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
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Independent Auditor's Report

October 30, 2015

Honorable President and
Members of the Board of Education
East Amwell Township School District
County of Hunterdon, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the East Amwell Township School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB State Grant Compliance Supplement that could have a direct and material effect on each of the Board of Education's major federal and state programs for the year ended June 30, 2015. The Board of Education'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

Our responsibility is to express an opinion on compliance for each of the Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB 15-08. Those standards, OMB Circular A-133 and NJ OMB 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Board of Education 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 year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of The Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education'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 program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education'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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we 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 our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedules of Expenditures of Federal Awards Required by OMB Circular A-133
and Expenditures of State Financial Assistance Required by NJ OMB 15-08**

We have audited the financial statements of the District as of and for the year ended June 30, 2015, and have issued our report thereon dated October 30, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS-SCHEDULE A
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2014	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repay of Prior Year Balance	Balance June 30, 2015		
											Accounts Receivable	Deferred Revenue	Due to Grantor
US Department of Education Passed Through State Department of Education Special Revenue Fund:													
NCLB Title I Part A													
	84 010A	NCLB-116015	\$ 21,799	07/01/14-06/30/15			\$ 11,453	\$ 21,799				\$ (10,346)	
NCLB Title IIA	84.367A	NCLB-116015	10,813	07/01/14-06/30/15			9,313	10,813				(1,500)	
REAP	84 358B	S358A-131988	34,844	07/01/13-09/30/14	\$ (8,672)		31,617	26,172				(3,227)	
REAP	84 358B	S358A-121988	47,964	07/01/12-09/30/13	(9,209)		9,209						
REAP	84 358B	S358A-141988	32,588	07/01/14-09/30/15				8,402			(32,588)	\$ 24,186	
IDEA Basic	84 027	IDEA-116015	95,256	07/01/14-06/30/15			95,256	95,256					
IDEA Basic	84.027	IDEA-116014	91,317	07/01/13-06/30/14	(16,289)		16,289						
IDEA Preschool	84 173	IDEA-116015	6,061	07/01/14-06/30/15			6,061	6,061					
IDEA Preschool	84.173	IDEA-116014	6,062	07/01/13-06/30/14	(3,240)		3,240						
Total Special Revenue Fund					(37,410)	\$ -	182,438	168,503	\$ -	\$ -	(47,661)	24,186	\$ -
US Department of Agriculture Passed Through State Department of Education Enterprise Fund:													
Food Donation Program													
	10.555	N/A	9,901	07/01/13-06/30/14	1,848			1,848					
Food Donation Program	10.555	N/A	11,267	07/01/14-06/30/15			11,267	9,654				1,613	
National School Lunch Program	10.555	N/A	26,068	07/01/13-06/30/14	(2,241)		2,241						
National School Lunch Program	10.555	N/A	30,130	07/01/14-06/30/15			27,728	30,130			(2,402)		
Total Enterprise Fund					(393)	-	41,236	41,632	-	-	(2,402)	1,613	-
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ (37,803)	\$ -	\$ 223,674	\$ 210,135	\$ -	\$ -	\$ (50,063)	\$ 25,799	\$ -

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE SCHEDULE B
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2014	Cash Received	Budgetary Expenditure	Repayment of Prior Year Balance	Balance June 30, 2015			Memo	
								Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
State Department of Education												
General Fund:												
Transportation Aid	14-495-034	\$ 181,957	07/01/13-									
	-5120-014		06/30/14	\$ (18,166)	\$ 18,166							
Transportation Aid	15-495-034	181,957	07/01/14-									
	-5120-014		06/30/15		163,793	\$ 181,957		\$ (18,164)			\$ (18,164)	\$ 181,957
Special Education Aid	14-495-034	280,435	07/01/13-									
	-5120-089		06/30/14	(27,998)	27,998							
Special Education Aid	15-495-034	280,435	07/01/14-									
	-5120-089		06/30/15		252,440	280,435		(27,995)			(27,995)	280,435
Security Aid	14-495-034	37,939	07/01/13-									
	-5120-084		06/30/14	(3,788)	3,788							
Security Aid	15-495-034	37,939	07/01/14-									
	-5120-084		06/30/15		34,152	37,939		(3,787)			(3,787)	37,939
Adjustment Aid	14-495-034	98,275	07/01/13-									
	-5120-085		06/30/14	(9,811)	9,811							
Adjustment Aid	15-495-034	98,275	07/01/14-									
	-5120-085		06/30/15		88,465	98,275		(9,810)			(9,810)	98,275
School Choice Aid	14-495-034	106,880	07/01/13-									
	-5120-068		06/30/14	(10,670)	10,670							
School Choice Aid	15-495-034	240,480	07/01/14-									
	-5120-068		06/30/15		216,441	240,480		(24,039)			(24,039)	240,480
PARCC Readiness Aid	15-495-034	3,620	07/01/14-									
	-5120-098		06/30/15		3,259	3,620		(361)			(361)	3,620
Per Pupil Growth Aid	15-495-034	3,620	07/01/14-									
	-5120-097		06/30/15		3,259	3,620		(361)			(361)	3,620
Nonpublic Transportation Aid	14-495-034	2,535	07/01/13-									
	-5120-014		06/30/14	(2,535)	2,535							
Nonpublic Transportation Aid	15-495-034	2,088	07/01/14-									
	-5120-014		06/30/15			2,088		(2,088)			(2,088)	2,088
Extraordinary Special Education Costs Aid	14-100-034	27,592	07/01/13-									
	-5120-473		06/30/14	(27,592)	27,592							
Extraordinary Special Education Costs Aid	15-100-034	23,422	07/01/14-									
	-5120-473		06/30/15		288	23,422		(23,134)			(23,134)	23,422
Reimbursed TPAF Social Security Contribution	15-495-034	270,934	07/01/14-									
	-5094-003		06/30/15		257,774	270,934		(13,160)			(13,160)	270,934
Reimbursed TPAF Social Security Contribution	14-495-034	262,070	07/01/13-									
	-5095-002		06/30/14	(13,227)	13,227							
On-Behalf TPAF Pension Contribution- Normal Cost and Accrued Liability	15-495-034	186,881	07/01/14-									
	-5094-006		06/30/15		186,881	186,881						186,881
On-Behalf TPAF Pension Contribution- Non-Contributory Insurance	15-495-034	13,445	07/01/14-									
	-5094-007		06/30/15		13,445	13,445						13,445
On-Behalf TPAF Pension Contribution- Post Retirement Medical	15-495-034	318,018	07/01/14-									
	-5094-001		06/30/15		318,018	318,018						318,018
Total General Fund				<u>(113,787)</u>	<u>1,652,002</u>	<u>1,661,114</u>	<u>\$ -</u>	<u>(122,899)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(122,899)</u>	<u>1,661,114</u>
Special Revenue Fund:												
Character Education	06-495-034	4,000	07/01/05-									
	-5120-053		06/30/06	64					64			
Total Special Revenue				<u>64</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Projects Fund:												
NJSDA Grant-Window and Roof Replacement	1160-050	411,300	N/A									
	-14-1001				41,130	41,130		(370,170)	370,170			41,130
Total Capital Projects Fund				<u>-</u>	<u>41,130</u>	<u>41,130</u>	<u>-</u>	<u>(370,170)</u>	<u>370,170</u>	<u>-</u>	<u>-</u>	<u>41,130</u>

SEE ACCOMPANYING NOTES TO SCHEDULE OF FINANCIAL ASSISTANCE

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE SCHEDULE B
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance 6/30/2014 (Acct Rec) Def Revenue	Cash Received	Budgetary Expenditure	Adjustment	Balance June 30, 2015			Memo		
								Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures	
<u>State Department of Agriculture Enterprise Fund:</u>													
Enterprise Fund:													
State School Lunch Program	15-100-010-3350-023	\$ 1,161	07/01/14-06/30/15		\$ 1,070	\$ 1,161		\$ (91)				\$ (91)	\$ 1,161
State School Lunch Program	14-100-010-3350-023	1,263	07/01/13-06/30/14	\$ (170)	170								
Total Enterprise Fund				<u>(170)</u>	<u>1,240</u>	<u>1,161</u>	<u>\$ -</u>	<u>(91)</u>	<u>\$ -</u>	<u>\$ -</u>		<u>(91)</u>	<u>1,161</u>
TOTAL STATE FINANCIAL ASSISTANCE				<u>\$ (113,893)</u>	<u>\$ 1,694,372</u>	<u>\$ 1,703,405</u>	<u>\$ -</u>	<u>\$ (493,160)</u>	<u>\$ 370,234</u>	<u>\$ -</u>		<u>\$ (122,990)</u>	<u>\$ 1,703,405</u>

SEE ACCOMPANYING NOTES TO SCHEDULE OF FINANCIAL ASSISTANCE

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2015

NOTE 1 GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, East Amwell Township School District. The Board of Education is defined in Note 1 (A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule of federal financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's financial statements.

NOTE 3. RELATIONSHIP OF FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to PL 2003, Ch 97 (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferred and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$14,084) for the general fund and (\$7,758) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 1,647,030	\$ 1,647,030
Special Revenue Fund	\$ 160,745		160,745
Food Service Fund	<u>41,632</u>	<u>1,161</u>	<u>42,793</u>
	<u>\$ 202,377</u>	<u>\$ 1,648,191</u>	<u>\$ 1,850,568</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2015
(Continued)

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2015. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Federal Awards (Cont'd) NOT APPLICABLE

Dollar Threshold used to Distinguish Between
Type A and Type B Programs: _____

Auditee qualified as a low-risk auditee Yes No

State Awards

Dollar Threshold used to Distinguish Between
Type A and Type B Programs: \$ 300,000

Auditee Qualified as low-risk auditee X Yes No

Type of Auditor's Report Issued on Compliance
for Major Programs: Unmodified

Internal Control Over Major Programs:

1. Material weakness(es) identified? Yes X No

2. Reportable conditions identified
that are not considered to be material
weaknesses? Yes X No

Any Audit Findings Disclosed that are Required
to be Reported in Accordance with NJ OMB
Circular Letter 15-08? Yes X No

Identification of Major Programs:

<u>GMIS Numbers</u>	<u>Amount</u>	<u>Name of State Program</u>
15-495-034-5120-014	\$ 181,957	Transportation Aid
15-495-034-5120-068	240,480	School Choice Aid
15-495-034-5120-089	280,435	Special Education Aid

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

SECTION II-FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs for the year ended June 30, 2015.

SECTION III-FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended June 30, 2015.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs.