

**SCHOOL DISTRICT
OF
GREENWICH TOWNSHIP**

**Greenwich Township School District
Stewartsville, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

Greenwich Township School District

Stewartsville, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

**Greenwich Township School District
Board of Education**

GREENWICH TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION

Greenwich township school district

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Cindy Hanics
Assistant to Business Administrator
Ext. 1602
Ranea M. Pesaresi
Assistant to Business Administrator
Ext. 1600

November 24, 2015

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

Dear Board Members:

The Comprehensive Annual Financial Report of the Greenwich Township School District (the "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 (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: 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 Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The School District of Greenwich Township is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The School District of Greenwich Township and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include services for regular as well as special needs students. The District completed the 2014-2015 fiscal year with an enrollment of 817 students, which is an increase of 1 student from the previous year's enrollment.

2) ECONOMIC CONDITION AND OUTLOOK: The Greenwich Township Council eliminated the April 2015 election. The election is postponed until November 2015. The tax levy cap increased by 2% over FY15. Equally as important, this allowed the Board of Education to increase its tax levy base so as to better equip the District to handle future financial responsibilities. Above all, continued increases in high school regular education tuition costs to Phillipsburg High School, is a major area of concern moving forward.

The Honorable President and Members of
 the Board of Education
 School District of Greenwich Township
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3) MAJOR INITIATIVES: The District is currently engaged in three initiatives: Gifted and Talented Services, STEM inclusion, and Technology infusion. We have revised our gifted and talented entry criteria and program delivery. Our teachers are including STEM activities into Science and Math lessons in the elementary school and into advisory lessons at the middle school. We continue to utilize existing technology hardware, software, and infrastructure to include student technology use into ongoing classroom activities. Additionally, teachers are using Link It!, an online assessment program that mimics PARCC assessments, to prepare our students for the upcoming PARCC assessments.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

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

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

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

The Honorable President and Members of
 The Board of Education
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 November 24, 2015

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Business Administrator oversees risk management for the District. A schedule of insurance coverage is found on J-20.

9) OTHER INFORMATION:

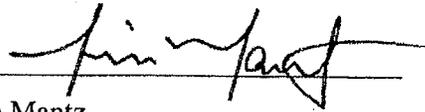
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related Federal OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Greenwich Township School District 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 the financial and accounting staff.

Respectfully submitted,

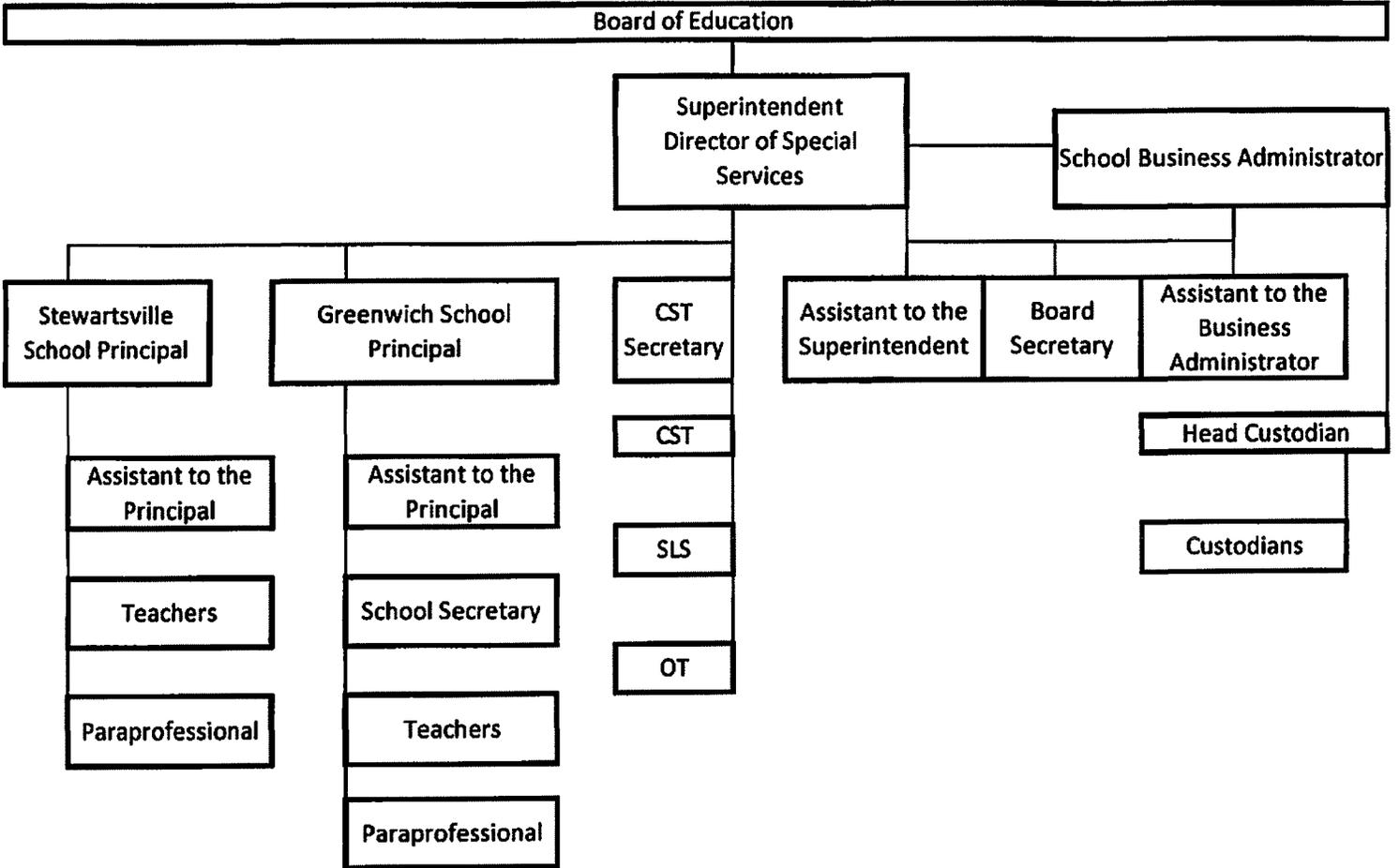


Maria Eppolite
 Superintendent



Tim Mantz
 Business Administrator/Board Secretary

Greenwich Twsp School District
 Organizational Chart
 as of 6/30/15



**GREENWICH TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2015**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Diane Lein, President	2016
Brad Perrone, Vice-President	2017
Kevin Bayne	2017
Michelle Faychak	2018
Victoria Little	2016
Scott Nodes	2016
Beth Rooney	2018
Christy Tighe	2018
Denise Valle	2017

Other Officers

Maria Eppolite, Superintendent
 Tim Mantz, Business Administrator/ Board Secretary
 Teresa E. Barna, Treasurer of School Monies
 Joanne L. Butler, Esquire Attorney

GREENWICH TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Attorneys

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Official Depository

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FINANCIAL SECTION



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 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Greenwich Township School District
 County of Warren, 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 Greenwich Township School District (the "District") in the County of Warren, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
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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 Board of Education of the Greenwich Township School District, in the County of Warren, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 10 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the fiscal year ended June 30, 2015. Our opinions are not modified with respect to this matter. The implementation resulted in the restatement of certain balances on the Statement of Net Position and the ending balance for Net Position for the Governmental Activities as of June 30, 2014 as detailed in Note 18 to the basic financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the required supplementary information pension schedules and the budgetary comparison information in Exhibits C-1 through C-3 and I-3 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 accompanying supplementary information such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey’s OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
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The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

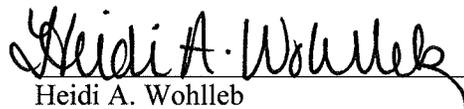
The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 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.

November 24, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

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

Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

This section of Greenwich Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- The District's financial status continued to be strong and improved significantly on a district wide basis. There was an increase in General Fund fund balance of \$113,285.
- Overall revenue was \$19.73 million while overall expenses were \$18.76 million.
- The current year's school budget has successfully supported high academic achievement while maintaining a secure and supportive learning environment with attention to fiscal responsibility.

Overview of the Financial Statements

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

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

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

Figure A-1

Organization of Greenwich Township School District's Financial Report

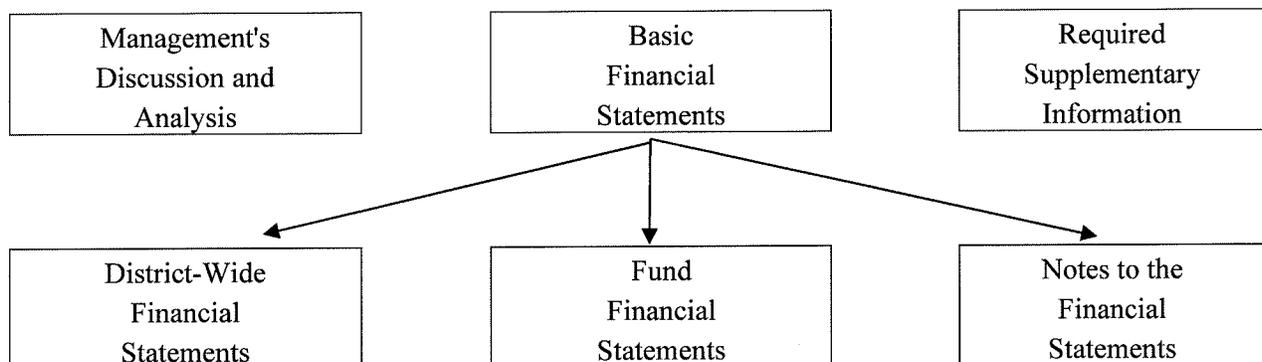


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

District-wide Statements

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

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

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

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

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food, preschool, and child care services are included here.

Fund Financial Statements

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

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

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District's combined net position increased by 15.93%. Net position from governmental activities increased \$851,793. Net position from business-type activities increased by \$115,353. Net investment in capital assets increased by \$632,150, restricted net position increased by \$109,160 and unrestricted net position increased by \$225,836.

Figure A-3

	Condensed Statement of Net Position						Percentage Change 2014/2015
	Government Activities		Business-Type Activities		Total School District		
	2013/2014*	2014/2015	2013/2014	2014/2015	2013/2014*	2014/2015	
Current and Other Assets	\$ 1,756,032	\$ 403,671	\$ 170,233	\$ 293,887	\$ 1,926,265	\$ 697,558	-63.79%
Capital Assets, Net	16,015,585	15,501,216	29,166	17,993	16,044,751	15,519,209	-3.28%
Total Assets	<u>17,771,617</u>	<u>15,904,887</u>	<u>199,399</u>	<u>311,880</u>	<u>17,971,016</u>	<u>16,216,767</u>	-9.76%
Deferred Outflows of Resources		180,782				180,782	100.00%
Long-Term Debt Outstanding	7,993,344	9,101,722			7,993,344	9,101,722	13.87%
Other Liabilities	3,897,743	117,284	8,788	5,916	3,906,531	123,200	-96.85%
Total Liabilities	<u>11,891,087</u>	<u>9,219,006</u>	<u>8,788</u>	<u>5,916</u>	<u>11,899,875</u>	<u>9,224,922</u>	-22.48%
Deferred Inflows of Resources		134,340				134,340	100.00%
Net Position/(Deficit):							
Net Investment in Capital Assets	8,165,585	8,808,908	29,166	17,993	8,194,751	8,826,901	7.71%
Restricted	488,937	598,097			488,937	598,097	22.33%
Unrestricted	<u>(2,773,992)</u>	<u>(2,674,682)</u>	<u>161,445</u>	<u>287,971</u>	<u>(2,612,547)</u>	<u>(2,386,711)</u>	8.64%
Total Net Position	<u>\$ 5,880,530</u>	<u>\$ 6,732,323</u>	<u>\$ 190,611</u>	<u>\$ 305,964</u>	<u>\$ 6,071,141</u>	<u>\$ 7,038,287</u>	<u>15.93%</u>

* Restated

Changes in Net Position. The District's combined net position was \$7,038,287 on June 30, 2015, \$967,146 or a 15.93% increase from the year before. (See Figure A-3). Net investment in capital assets increased \$632,150 as a result of decreases in serial bonds payable of \$1,157,692 offset by depreciation expense of \$525,542. Restricted net position increased by \$109,160 due to \$44,690 from the tuition reserve, \$50,000 from the capital reserve and \$26,122 of debt service fund balance appropriated in the 2014-15 budget offset by the current year excess surplus of \$195,451, interest earnings of \$382 on the capital and emergency reserves, and \$34,139 of unexpended Debt Service Fund budget appropriations. The increase in unrestricted net position was due primarily to the amount of General Fund fund balance appropriated in the 2014-15 budget, a deficit in state aid offset by unexpended budget appropriations, and the increase in the net pension liability and associated pension deferred inflows and outflows.

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	Change
Revenue:							
Program Revenue:							
Charges for Services			\$ 355,902	\$ 417,293	\$ 355,902	\$ 417,293	17.25%
Operating Grants and Contributions	\$ 2,168,851	\$ 3,341,636	45,886	48,891	2,214,737	3,390,527	53.09%
Capital Grants and Contributions	690,837	42,642			690,837	42,642	-93.83%
General Revenue:							
Property Taxes	9,067,041	10,183,213			9,067,041	10,183,213	12.31%
Unrestricted State Aid	5,725,141	5,620,740			5,725,141	5,620,740	3.17%
Other	57,838	75,866	552	846	58,390	76,712	31.38%
Total Revenue	<u>17,709,708</u>	<u>19,264,097</u>	<u>402,340</u>	<u>467,030</u>	<u>18,112,048</u>	<u>19,731,127</u>	8.94%
Expenses:							
Instruction	6,991,843	7,906,929			6,991,843	7,906,929	13.09%
Pupil and Instruction Services	6,913,069	7,677,793			6,913,069	7,677,793	11.06%
Administrative and Business	980,661	921,689			980,661	921,689	-6.01%
Maintenance and Operations	747,741	829,021			747,741	829,021	10.87%
Transportation	738,955	733,554			738,955	733,554	-0.73%
Other	507,894	343,318	344,318	351,677	852,212	694,995	-18.45%
Total Expenses	<u>16,880,163</u>	<u>18,412,304</u>	<u>344,318</u>	<u>351,677</u>	<u>17,224,481</u>	<u>18,763,981</u>	8.94%
Increase (Decrease) in							
Net Position	<u>\$ 829,545</u>	<u>\$ 851,793</u>	<u>\$ 58,022</u>	<u>\$ 115,353</u>	<u>\$ 887,567</u>	<u>\$ 967,146</u>	8.97%

Revenue Sources. The District's total revenue for the 2014/2015 school year was \$19,731,127. (See Figure A-4). Property taxes, state formula aid and charges for services accounted for most of the District's revenue, with local taxes accounting for \$10,183,213 of the total, or 51.61 percent. (See Figure A-5). Another 45.89 percent came from state and federal aid and private sources for specific programs and contributions, 2.11 percent came from charges for services and the remainder from other miscellaneous sources. It is important to note that of the Categorical Grants amount of \$2,492,874, \$1,768,727 is included in funds that are not paid to the District, but are included in funding for Pension Contributions and Post Retirement Contributions that the State of New Jersey is paying on behalf of the District. The Greenwich Township School District primarily conducts its operations from the revenue it receives from its local taxpayers and state aid.

Figure A-5**Sources of Revenue for Fiscal Year 2015**

	<u>Amount</u>	<u>Percentage</u>
Sources of Income:		
State Formula Aid	\$ 6,518,393	33.04%
Property Taxes	10,183,213	51.61%
Federal and State Categorical Grants	2,492,874	12.63%
Capital Grants and Contributions	42,642	0.22%
Charges for Services	417,293	2.11%
Other	76,712	0.39%
	<u>\$ 19,731,127</u>	<u>100.00%</u>

The total cost of all programs and services was \$18,763,981. The District's expenses are predominantly related to instructing, caring for (pupil services) and transporting students (86.97 percent). (See Figure A-6). The District's administrative and business activities accounted for 4.91 percent of total costs.

Figure A-6**Expenses for Fiscal Year 2015**

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 7,906,929	42.14%
Pupil and Instruction Services	7,677,793	40.92%
Administrative and Business	921,689	4.91%
Maintenance and Operations	829,021	4.42%
Transportation	733,554	3.91%
Other	694,995	3.70%
	<u>\$ 18,763,981</u>	<u>100.00%</u>

Governmental Activities

Maintaining existing programs with the current enrollment, the provision of a multitude of special programs/services for disabled pupils, and the double digit increases in District health benefit costs place great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

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

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

Figure A-7

Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2013/2014	2014/2015	2013/2014	2014/2015
Instruction	\$ 6,991,843	\$ 7,906,929	\$ 5,257,339	\$ 5,156,250
Pupil and Instruction Services	6,913,069	7,677,793	6,732,618	7,414,328
Administrative and Business	980,661	921,689	935,819	798,063
Maintenance and Operations	747,741	829,021	56,904	829,021
Transportation	738,955	733,554	529,901	529,688
Other	507,894	343,318	507,894	300,676
	<u>\$ 16,880,163</u>	<u>\$ 18,412,304</u>	<u>\$ 14,020,475</u>	<u>\$ 15,028,026</u>

- The cost of all governmental activities this year was \$18.41 million.
- The federal and state governments along with a private contribution subsidized certain programs with grants and contributions (\$9.01 million).
- Most of the District's Governmental Activity costs (\$10.18 million), however, were financed by District taxpayers.
- The remainder of the funding came from tuition, miscellaneous revenue and investment earnings (\$.76 million).

Business-Type Activities

Net position from the District's business-type activity increased by \$115,353. (Refer to Figure A-4). The factors contributing to this result were:

- The District starting utilizing a food service management contractor during the current fiscal year which resulted in the Food Service Program having a net income of \$13,087 due to an increase in daily sales and a curtailment of expenses.
- The Preschool Services Program had a net income of \$43,304 for the current fiscal year due to a significant increase in student participation.
- The Child Care Program had a net income for the current fiscal year of \$58,962 due to an increase in student participation in the program which increased program fees by \$5,000 as well as a decrease in salary expenses.

Financial Analysis of the District's Funds

The District's financial position improved in the General Fund due to unexpended budget appropriations being less than prior year fund balance utilized to support the budget for the current year as well as a deficit in miscellaneous revenue and state aid. The District has utilized creative staffing and scheduling to avoid eliminating educational and co-curricular programs.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management, including efficiency/cost containment practices, evaluation of services and programs, energy conservation, and seeking additional sources of revenues.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for changes made between budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Debt Administration

Figure A-8

	Capital Assets (Net of Depreciation)						Percentage Change 2014/2015
	Government Activities		Business-Type Activities		Total School District		
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	
Site Improvements	\$ 44,912	\$ 37,840			\$ 44,912	\$ 37,840	-15.75%
Buildings and Building Improvements	15,849,473	15,366,294			15,849,473	15,366,294	-3.05%
Machinery and Equipment	121,200	97,082	\$ 29,166	\$ 17,993	150,366	115,075	-23.47%
Total Capital Assets, Net	<u>\$ 16,015,585</u>	<u>\$ 15,501,216</u>	<u>\$ 29,166</u>	<u>\$ 17,993</u>	<u>\$ 16,044,751</u>	<u>\$ 15,519,209</u>	<u>-3.28%</u>

The District's overall capital assets decreased \$525,452 from fiscal year 2014 to fiscal year 2015, which is due to depreciation expense of \$525,542.

Long-term Debt

At year-end, the District had \$6,692,308 in general obligation bonds – a net reduction of \$1,157,692 from last year – as shown in Figure A-9. The increase in compensated absences payable is due to sick days accrued during the year. The District had \$2,256,239 for the Net Pension Liability – a net increase of \$11,900 from last year. (More detailed information about the District's long-term liabilities is presented in Note 8 to the basic financial statements.)

Figure A-9

	Outstanding Long-Term Debt		
	Total School District		Percentage Change 2014/2015
	2013/2014*	2014/2015	
General Obligation Bonds (Financed with Property Taxes)	\$ 7,850,000	\$ 6,692,308	-14.75%
Net Pension Liability	2,242,339	2,254,239	0.53%
Compensated Absences Payable	143,344	155,175	8.25%
	<u>\$ 10,235,683</u>	<u>\$ 9,101,722</u>	<u>-11.08%</u>

* Restated

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

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The District is currently \$828,250 UNDER spending adequacy due to several years of \$0 tax increases; therefore, the 2% tax levy increase is minimal and totaled \$299,715 for 2015/16. The 2% tax levy cap significantly limits the District's ability to generate the necessary resources to fund and grow our K-8 programs.
- Tuition paid to the Phillipsburg School District for our students in grades 9 – 12 continues to increase at a rate that outpaces the District's 2% tax levy increase. Phillipsburg High School tuition has increased drastically over the last 5 years significantly limiting resources for our K-8 students.

Factors Bearing on the District's Future Revenue/Expense Changes (Cont'd)

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future: (Cont'd)

- Special education tuition continues to increase while federal and state funding is flat or reduced. Tuition for students in special schools ranges from \$35,000 to greater than \$80,000 plus additional fees for transportation and extraordinary costs. Again, these fees far outpace the District's 2% tax levy increase.
- Overall operating costs (i.e. energy, facilities upkeep, etc.) continue to accelerate.
- Health insurance premiums continue to escalate with employees now contributing to their health care costs. While the District benefits from these contributions, employees' salaries are negatively impacted. For this reason, the District now offers three plans consisting of the current plan, a middle of the road plan and a high deductible plan designed to reduce out-of-pocket expenses.
- The Greenwich Township School District is considered a high performing school district based upon NJ QSAC, the monitoring system utilized by the NJDOE.

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Please forward any questions to the Greenwich Township Business Administrator, Greenwich School, 101 Wyndham Farm Boulevard, Stewartsville, NJ 08886.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 215,105	\$ 291,518	\$ 506,623
Receivables:			
State	155,179	128	155,307
Federal		2,473	2,473
Internal Balances	5,923	(5,923)	
Interfund Receivable	1,067		1,067
Inventories		5,691	5,691
Restricted Assets:			
Capital Reserve - Cash and Cash Equivalents	687		687
Emergency Reserve - Cash and Cash Equivalents	25,710		25,710
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	15,501,216	17,993	15,519,209
Total Assets	<u>15,904,887</u>	<u>311,880</u>	<u>16,216,767</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>			
Changes in Assumptions - Pensions	70,885		70,885
Changes in Proportion - Pensions	49,641		49,641
Deferred Amount on Refunding	60,256		60,256
Total Deferred Outflows of Resources	<u>180,782</u>		<u>180,782</u>
 LIABILITIES:			
Accrued Interest Payable	85,195		85,195
Intergovernmental Payable - Other	8,204		8,204
Prepaid Sales		4,502	4,502
Unearned Revenue	2,005	1,414	3,419
Unamortized Bond Premium	21,880		21,880
Noncurrent Liabilities:			
Due Within One Year	1,364,379		1,364,379
Due Beyond one Year	7,737,343		7,737,343
Total Liabilities	<u>9,219,006</u>	<u>5,916</u>	<u>9,224,922</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>			
Investment Gains - Pensions	134,340		134,340
Total Deferred Inflows of Resources	<u>134,340</u>		<u>134,340</u>
 NET POSITION/(DEFICIT):			
Net Investment in Capital Assets	8,808,908	17,993	8,826,901
Restricted for:			
Debt Service	57,586		57,586
Capital Projects	63,835		63,835
Other Purposes	476,676		476,676
Unrestricted	(2,674,682)	287,971	(2,386,711)
Total Net Position	<u>\$ 6,732,323</u>	<u>\$ 305,964</u>	<u>\$ 7,038,287</u>

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

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

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 5,054,540		\$ 1,196,095		\$ (3,858,445)		\$ (3,858,445)
Special Education	2,237,095		1,401,470		(835,625)		(835,625)
Other Special Instruction	534,048		140,417		(393,631)		(393,631)
Other Instruction	81,246		12,697		(68,549)		(68,549)
Support Services:							
Tuition	6,192,453		133,865		(6,058,588)		(6,058,588)
Student & Instruction Related Services	1,485,340		129,600		(1,355,740)		(1,355,740)
General Administrative Services	232,314		80,785		(151,529)		(151,529)
School Administrative Services	514,634		42,841		(471,793)		(471,793)
Central Services	146,828				(146,828)		(146,828)
Administration Information Technology	27,913				(27,913)		(27,913)
Plant Operations and Maintenance	829,021				(829,021)		(829,021)
Pupil Transportation	733,554		203,866		(529,688)		(529,688)
Unallocated Depreciation	51,437				(51,437)		(51,437)
Interest on Long-Term Debt	203,391				(203,391)		(203,391)
Capital Outlay	88,490			\$ 42,642	(45,848)		(45,848)
Total Governmental Activities	18,412,304	\$ -0-	3,341,636	42,642	(15,028,026)	\$ -0-	(15,028,026)

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Enterprise Funds:							
Food Service	\$ 185,001	\$ 149,124	\$ 48,891		\$ 13,014	\$ 13,014	
Preschool Services	79,719	122,604			42,885	42,885	
Child Care	86,957	145,565			58,608	58,608	
Total Business-Type Activities	351,677	417,293	48,891		114,507	114,507	
Total Primary Government	\$ 18,763,981	\$ 417,293	\$ 3,390,527	\$ 42,642	\$ (15,028,026)	114,507	(14,913,519)
General Revenue:							
Taxes:							
Property Taxes, Levied for General Purposes					9,192,179	9,192,179	
Taxes Levied for Debt Service					991,034	991,034	
State Aid not Restricted					5,620,740	5,620,740	
Investment Earnings					382	846	
Tuition					43,484	43,484	
Miscellaneous Income					32,000	32,000	
Total General Revenue					15,879,819	846	15,880,665
Change in Net Position					851,793	115,353	967,146
Net Position - Beginning (Restated)					5,880,530	190,611	6,071,141
Net Position - Ending					\$ 6,732,323	\$ 305,964	\$ 7,038,287

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

FUND FINANCIAL STATEMENTS

GREENWICH TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 74,785	\$ 2,005	\$ 80,729	\$ 57,586	\$ 215,105
Receivables:					
State	155,179				155,179
Interfund	6,990				6,990
Restricted Cash and Cash Equivalents	26,397				26,397
Total Assets	\$ 263,351	\$ 2,005	\$ 80,729	\$ 57,586	\$ 403,671
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Intergovernmental Payable - Other	\$ 8,204				\$ 8,204
Unearned Revenue		\$ 2,005			2,005
Total Liabilities	8,204	2,005			10,209
Fund Balances:					
Restricted For:					
Capital Reserve	687				687
Emergency Reserve	25,710				25,710
Excess Surplus	195,451				195,451
Excess Surplus - Designated for Subsequent Year's Expenditures	255,515				255,515
Capital Projects Fund			\$ 63,148		63,148
Debt Service Fund				\$ 57,586	57,586
Committed:					
Capital Projects Fund			17,581		17,581
Unassigned/(Deficit):					
General Fund	(222,216)				(222,216)
Total Fund Balance	255,147		80,729	57,586	393,462
Total Liabilities and Fund Balances	\$ 263,351	\$ 2,005	\$ 80,729	\$ 57,586	\$ 403,671

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

Total Fund Balances	\$ 393,462
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$23,995,112 and the accumulated depreciation is \$8,493,896.	15,501,216
Bond Premiums are Reported as Revenue in the Governmental Funds in the Year the Bonds are sold. The Amount is \$25,526 and the Accumulated Amortization is \$3,646.	(21,880)
Deferred Interest Costs are not Reported as Expenditures in the Governmental Funds in the Year of the Expenditure. The Deferred Interest is \$70,299 and the accumulated amortization is \$10,043.	60,256

GREENWICH TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are Different Because (Cont'd):

The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(2,254,239)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Changes in Assumptions - Pensions	70,885
Investment Gains - Pensions	(134,340)
Changes in Proportions - Pensions	49,641
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(6,847,483)
Interest on long-term debt is not accrued in governmental funds, but rather recognized as an expenditure when due.	<u>(85,195)</u>
Net Position of Governmental Activities	<u>\$ 6,732,323</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 9,192,179			\$ 991,034	\$ 10,183,213
Tuition Charges	43,484				43,484
Interest Earned on Emergency Reserve	372				372
Interest Earned on Capital Reserve Funds	10				10
Private Contribution - Capital			\$ 42,642		42,642
Miscellaneous	29,544	\$ 2,456			32,000
Total - Local Sources	<u>9,265,589</u>	<u>2,456</u>	<u>42,642</u>	<u>991,034</u>	<u>10,301,721</u>
State Sources	7,081,463			555,425	7,636,888
Federal Sources		210,706			210,706
Total Revenues	<u>16,347,052</u>	<u>213,162</u>	<u>42,642</u>	<u>1,546,459</u>	<u>18,149,315</u>
EXPENDITURES:					
Current:					
Regular Instruction	2,641,546	53,562			2,695,108
Special Education Instruction	1,155,997	159,600			1,315,597
Other Special Instruction	298,575				298,575
Other Instruction	43,135				43,135
Support Services and Undistributed Costs:					
Tuition	6,192,453				6,192,453
Student & Instruction Related Services	1,004,569				1,004,569
General Administrative Services	182,504				182,504
School Administrative Services	328,411				328,411
Central Services	128,155				128,155
Administration Information Technology	20,830				20,830
Plant Operations and Maintenance	673,900				673,900

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES (Cont'd):					
Current:					
Pupil Transportation	\$ 725,383				\$ 725,383
Unallocated Benefits	2,774,880				2,774,880
Capital Outlay	63,429		\$ 25,061		88,490
Debt Service:					
Principal				\$ 1,272,692	1,272,692
Interest and Other Charges				265,750	265,750
Total Expenditures	<u>16,233,767</u>	<u>\$ 213,162</u>	<u>25,061</u>	<u>1,538,442</u>	<u>18,010,432</u>
Excess/(Deficiency) of Revenue over/(under) Expenditures	113,285		17,581	8,017	138,883
OTHER FINANCING SOURCES:					
Refunding Bonds Issued				2,765,000	2,765,000
Bond Premium				25,526	25,526
Serial Bonds Defeased				(2,650,000)	(2,650,000)
Bond Issuance Costs				(70,227)	(70,227)
Deferred Interest				(70,299)	(70,299)
Total Other Financing Sources					
Net Change in Fund Balances	113,285		17,581	8,017	138,883
Fund Balance - July 1	<u>141,862</u>		<u>63,148</u>	<u>49,569</u>	<u>254,579</u>
Fund Balance - June 30	<u>\$ 255,147</u>	<u>\$ -0-</u>	<u>\$ 80,729</u>	<u>\$ 57,586</u>	<u>\$ 393,462</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)		\$ 138,883
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays differ from depreciation in the period.		
	Depreciation expense	(514,369)
In the Statement of Activities, interest on Long-Term Debt in the Statement of Activities is accrued, regardless of when due. In the Governmental Funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).		
		68,756
Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		1,272,692
The governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
		3,646
Proceeds from debt issued for an advanced refunding less the amount of bonds defeased are not recorded in the governmental funds.		
	Refunding Bonds Issued	\$ (2,765,000)
	Refunding Bonds Premium	(25,526)
	Refunding Bond Deferred Interest	70,299
	School Bonds Defeased	<u>2,650,000</u>
		(70,227)

SCHOOL DISTRICT OF GREENWICH TOWNSHIP
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Continued)

The governmental funds report the effect of deferred interest when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	\$ (10,043)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation. (+)	(11,831)
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	(11,900)
Deferred Outflows:	
Changes in Assumptions	70,885
Changes in Proportions	49,641
Deferred Inflows:	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	(134,340)
Change in Net Position of Governmental Activities (Exhibit A-2)	\$ 851,793

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Business- Type Acitvities			Total
	Non- Major Fund	Major Funds		
		Preschool Services	Child Care	
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 25,923	\$ 131,533	\$ 134,062	\$ 291,518
Accounts Receivable:				
Federal	2,473			2,473
State	128			128
Inventories	5,691			5,691
Total Current Assets	<u>34,215</u>	<u>131,533</u>	<u>134,062</u>	<u>299,810</u>
Non-Current Assets:				
Capital Assets	210,000			210,000
Less: Accumulated Depreciation	<u>(192,007)</u>			<u>(192,007)</u>
Total Non-Current Assets	<u>17,993</u>			<u>17,993</u>
Total Assets	<u>52,208</u>	<u>131,533</u>	<u>134,062</u>	<u>317,803</u>
<u>LIABILITIES:</u>				
Current Liabilities:				
Prepaid Sales	4,502			4,502
Unearned Revenue	1,414			1,414
Interfund Payable - General Fund	5,228		695	5,923
Total Current Liabilities	<u>11,144</u>		<u>695</u>	<u>11,839</u>
Total Liabilities	<u>11,144</u>		<u>695</u>	<u>11,839</u>
<u>NET POSITION:</u>				
Net Investment in Capital Assets	17,993			17,993
Unrestricted	<u>23,071</u>	<u>131,533</u>	<u>133,367</u>	<u>287,971</u>
Total Net Position	<u>\$ 41,064</u>	<u>\$ 131,533</u>	<u>\$ 133,367</u>	<u>\$ 305,964</u>

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-Type Activities:			Total
	Non- Major Fund	Major Funds		
		Preschool Services	Child Care	
Operating Revenue:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$ 91,139			\$ 91,139
Daily Sales - Nonreimbursable Programs	57,985			57,985
Preschool Fees		\$ 122,604		122,604
Child Care Fees			\$ 145,565	145,565
Total Operating Revenue	<u>149,124</u>	<u>122,604</u>	<u>145,565</u>	<u>417,293</u>
Operating Expenses:				
Cost of Sales	91,709			91,709
Salaries and Employee Benefits	68,991	77,578	58,061	204,630
Supplies and Materials	2,697	1,391	3,110	7,198
Management Fee	10,000			10,000
Miscellaneous	431	750	25,786	26,967
Depreciation	11,173			11,173
Total Operating Expenses	<u>185,001</u>	<u>79,719</u>	<u>86,957</u>	<u>351,677</u>
Operating Income/(Loss)	<u>(35,877)</u>	<u>42,885</u>	<u>58,608</u>	<u>65,616</u>
Non-Operating Revenue:				
Local Sources:				
Interest Income	73	419	354	846
Federal Sources:				
National School Lunch Program	33,451			33,451
Food Distribution Program	13,707			13,707
State Sources:				
State School Lunch Program	1,733			1,733
Total Non-Operating Revenue	<u>48,964</u>	<u>419</u>	<u>354</u>	<u>49,737</u>
Change in Net Position	13,087	43,304	58,962	115,353
Net Position - Beginning of Year	<u>27,977</u>	<u>88,229</u>	<u>74,405</u>	<u>190,611</u>
Net Position - End of Year	<u>\$ 41,064</u>	<u>\$ 131,533</u>	<u>\$ 133,367</u>	<u>\$ 305,964</u>

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-Type Activities:			Total
	Non-Major Fund	Major Funds		
		Pre-School Services	Child Care	
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 150,201	\$ 121,354	\$ 145,565	\$ 417,120
Payments to/for Employees	(168,988)	(77,578)	(58,061)	(304,627)
Other Payments		(2,141)	(28,620)	(30,761)
Net Cash Provided by/(Used for) Operating Activities	<u>(18,787)</u>	<u>41,635</u>	<u>58,884</u>	<u>81,732</u>
Cash Flows by Noncapital Financing Activities:				
Cash Received from Federal and State Reimbursements	38,963			38,963
Net Cash Provided by Noncapital Financing Activities	<u>38,963</u>			<u>38,963</u>
Cash Flows from Investing Activities:				
Interest on Investments	73	419	354	846
Net Cash Provided by Investing Activities	<u>73</u>	<u>419</u>	<u>354</u>	<u>846</u>
Net Increase in Cash and Cash Equivalents	20,249	42,054	59,238	121,541
Cash and Cash Equivalents, July 1	<u>5,674</u>	<u>89,479</u>	<u>74,824</u>	<u>169,977</u>
Cash and Cash Equivalents, June 30	<u>\$ 25,923</u>	<u>\$ 131,533</u>	<u>\$ 134,062</u>	<u>\$ 291,518</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/ (Used for) Operating Activities:				
Operating Income/(Loss)	\$ (35,877)	\$ 42,885	\$ 58,608	\$ 65,616
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	11,173			11,173
Federal Food Distribution Program	13,707			13,707
Changes in Assets and Liabilities:				
Decrease in Inventories	3,146			3,146
(Decrease) in Unearned Revenue	(2,699)	(1,250)		(3,949)
Increase in Prepaid Sales	1,077			1,077
Increase/(Decrease) in Interfund Payable	(9,314)		276	(9,038)
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (18,787)</u>	<u>\$ 41,635</u>	<u>\$ 58,884</u>	<u>\$ 81,732</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received commodities from the Federal Food Distribution Program valued at \$11,008 and utilized commodities valued at \$13,707 for the fiscal year ended June 30, 2015.

Exhibit B-7

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>Agency</u>
<u>ASSETS:</u>	
Cash and Cash Equivalents	\$ 268,593
Total Assets	268,593
<u>LIABILITIES:</u>	
Payroll Deductions and Withholdings	8,618
Accrued Salaries and Wages - Summer Savings Plan	224,817
Interfund Payable - General Fund	1,067
Due to Student Groups	34,091
Total Liabilities	\$ 268,593

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

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

NOT APPLICABLE

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significances) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include an elementary school and a middle school located in the Township of Greenwich. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self financing or draws from the general revenues of the District.

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

B. Basis of Presentation: (Cont'd)

The District reports the following governmental funds: (Cont'd)

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

The District reports the following proprietary fund:

Enterprise (Food Service, Preschool Services and Child Care) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria, pre-school services and child care operations. The food service, preschool services and child care funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund and Payroll Agency Fund.

C. Measurement Focus and Basis of Accounting

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

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

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

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 budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a public vote in April 2014. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants receivable. These grants are recognized on the budgetary basis in full at the time of the award but are recognized on the GAAP basis as they are expended and requested for reimbursement.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 16,354,097	\$ 211,700
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue whereas the GAAP Basis does not.		
Prior Year Encumbrances		1,462
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	578,705	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(585,750)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 16,347,052</u>	<u>\$ 213,162</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 16,233,767	\$ 211,700
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.		
Prior Year Encumbrances		<u>1,462</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 16,233,767</u>	<u>\$ 213,162</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

E. Cash and Cash Equivalents and Investments:

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

New Jersey school districts are limited as to 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.

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

F. Interfund Transactions

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

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

G. Allowance for Uncollectible Accounts

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

H. Encumbrances:

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

K. Capital Assets:

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

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

L. Long-Term Liabilities

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages:

The District allows employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are accrued salaries and wages as of June 30, 2015 of \$224,817.

N. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. These employee contracts/agreements permit 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 applicable District employee contract/agreement.

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

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

P. Fund Balance Appropriated:

General Fund: Of the \$225,147 General Fund fund balance at June 30, 2015, \$-0- is assigned for year end encumbrances which is \$53,032 less on a GAAP basis; \$687 is restricted in the capital reserve; \$25,710 is restricted in the emergency reserve; \$450,966 is total excess surplus (\$255,515 is prior year excess surplus which is included as anticipated revenue for the fiscal year ending June 30, 2016 and the remaining \$195,451 is current year excess surplus which will be included as anticipated revenue for the fiscal year ending June 30, 2017); and there is (\$222,216) in unassigned fund balance which is \$532,718 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2016.

Capital Projects Fund: There is \$80,729 of Capital Projects Fund balance at June 30, 2015, of which \$63,148 is restricted and \$17,581 is committed.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

P. Fund Balance Appropriated: (Cont'd)

Debt Service: The \$57,586 Debt Service Fund balance at June 30, 2015 is restricted of which \$23,447 has been appropriated and included in the budget for the fiscal year ending June 30, 2016.

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

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$585,750 (\$532,718 in unassigned fund balance and \$53,032 in fund balance assigned for year end encumbrances), as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Net Position

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District has deferred outflows of resources at June 30, 2015 for the deferred amount on the refunding bonds, changes in assumptions in pensions and changes in proportion in pensions.

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District has a deferred inflow of resources at June 30, 2015 for the net difference between projected and actual investment earnings on pension plan investments.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

R. Deficit Net Position

The District has a deficit in unrestricted governmental activities net position in the amount of \$2,674,682. The deficit is due to the deficit in unassigned fund balance in the General Fund of \$222,216, as well as compensated absences payable of \$155,175, accrued interest payable of \$85,195, the unamortized bond premium of \$21,880, investment gains in pension of \$134,340, and a net pension liability of \$2,254,239 offset by capital projects fund committed fund balance of \$17,581, deferred amount of refunding of \$60,256, changes in proportions in pensions of \$49,641, and changes in assumptions in pension of \$70,885 as of June 30, 2015. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

S. Fund Balance Restrictions, Commitments and Assignments

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

Fund balance restrictions have been established for capital and emergency reserves, excess surplus and for the Capital Projects and Debt Service Funds.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources at June 30, 2015 in the Capital Projects Fund.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances in the General Fund on the budgetary basis at June 30, 2015.

T. Revenue - Exchange and Nonexchange Transactions

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

T. Revenue – Exchange and Nonexchange Transactions (Cont'd)

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

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

U. Operating Revenue and Expenses

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Funds. For the School District, this revenue is sales for food service, preschool fees and child care fees. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates

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

W. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

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

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

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

Credit Risk – The District limits its investments to those authorized in its formal cash management plan which are permitted under state statutes as detailed in the Investments section of this note.

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Depository Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

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

Investments: (Cont'd)

- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2015, cash and cash equivalents of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>	<u>Restricted Cash and Cash Equivalents</u>		<u>Total</u>
		<u>Capital Reserve</u>	<u>Emergency Reserve</u>	
Savings and Checking Accounts	\$ 775,216	\$ 687	\$ 25,710	\$ 801,613

During the period ended June 30, 2015, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2015, was \$801,613 and the bank balance was \$912,825.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Greenwich Township School District Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years on October 11, 2000. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

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

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

Beginning balance, July 1, 2014	\$	50,677
Add:		
Interest earnings		10
Less:		
Budgeted Withdrawal		<u>(50,000)</u>
Ending balance, June 30, 2015	\$	<u>687</u>

The June 30, 2015 LRFP balance of local support costs exceeds the balance in the capital reserve account at June 30, 2015. There was a budgeted withdrawal from the capital reserve account, in the amount of \$50,000 for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

NOTE 5. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in a prior year. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning balance, July 1, 2014	\$	25,338
Interest earnings		<u>372</u>
Ending balance, June 30, 2015	\$	<u>25,710</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 6. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2015, the District did not make any transfers to the capital outlay accounts.

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2015 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Being Depreciated:				
Site Improvements	\$ 141,428			\$ 141,428
Buildings and Building Improvements	23,569,266			23,569,266
Machinery and Equipment	284,418			284,418
Total Capital Assets Being Depreciated	<u>23,995,112</u>			<u>23,995,112</u>
Governmental Activities Capital Assets	<u>23,995,112</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>23,995,112</u>
Less Accumulated Depreciation for:				
Site Improvements	(96,516)	(7,072)		(103,588)
Buildings and Building Improvements	(7,719,793)	(483,179)		(8,202,972)
Machinery and Equipment	(163,218)	(24,118)		(187,336)
	<u>(7,979,527)</u>	<u>(514,369)</u>		<u>(8,493,896)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 16,015,585</u>	<u>\$ (514,369)</u>	<u>\$ -0-</u>	<u>\$ 15,501,216</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 210,000			\$ 210,000
Less Accumulated Depreciation	<u>(180,834)</u>	<u>\$ (11,173)</u>		<u>(192,007)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 29,166</u>	<u>\$ (11,173)</u>	<u>\$ -0-</u>	<u>\$ 17,993</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 462,932
Unallocated	<u>51,437</u>
	<u>\$ 514,369</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the district-wide financial statements:

	Restated Balance June 30, 2014	Added	Retired	Balance June 30, 2015
Serial Bonds Payable	\$ 7,850,000	\$ 2,765,000	\$ 3,922,692	\$ 6,692,308
Net Pension Liability	2,242,339	11,900		2,254,239
Compensated Absences Payable	143,344	11,831		155,175
	<u>\$ 10,235,683</u>	<u>\$ 2,788,731</u>	<u>\$ 3,922,692</u>	<u>\$ 9,101,722</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be liquidated through the Debt Service Fund.

On March 12, 2013, the District issued general obligation bonds of \$1,000,000 with an interest rate of 2.45%. The bonds mature on January 15, 2015 through 2021. The general obligation bonds were issued to fund the upgrade/renovation project including roof and window replacement at the Stewartville School and site/drainage improvements at the Greenwich School.

On December 23, 2014, the District issued refunding bonds of \$2,765,000 with an interest rate of 1.00-1.50%. The bonds mature on January 15, 2015 through 2018 to refund \$2,650,000 of school bonds with interest rates ranging from 3.0% to 5.0%. The refunding bonds are non-callable. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the school bonds were called on January 26, 2015. The refunding met the requirements of an in-substance debt defeasance and the school bonds were removed from the School's government-wide financial statements.

As a result of the refunding, the School reduced its total debt service requirements by \$145,264 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$144,713.

Serial Bonds

Date of Issue	Maturity	Interest Rate	Amount
7/6/2006	7/1/2022	3.50-4.25%	3,095,000
3/12/2013	1/15/2021	2.45%	862,308
12/23/2014	1/15/2018	1.00-1.50%	2,735,000
			<u>\$ 6,692,308</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,364,379	\$ 176,008	\$ 1,540,387
2017	1,396,086	149,762	1,545,848
2018	1,427,815	120,174	1,547,989
2019	519,564	87,641	607,205
2020	541,335	68,217	609,552
2021-2023	1,443,129	84,001	1,527,130
	<u>\$ 6,692,308</u>	<u>\$ 685,803</u>	<u>\$ 7,378,111</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2015, the Board has \$101,858 of bonds authorized but not issued.

C. Capital Leases Payable:

The District did not have any capital leases as of June 30, 2015.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$-0- and is separated from the long-term liability balance of compensated absences of \$155,175.

There is no liability for compensated absences in the proprietary fund types.

The General Fund will be used to liquidate the Compensated Absences Payable.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2015 is \$-0- and the long-term portion is \$2,254,239. See Note 10 for further information on the PERS.

NOTE 9. OPERATING LEASES

The District had commitments to lease laptops and copying equipment under operating leases which expire in fiscal year 2016. Total operating lease payments made during the year ended June 30, 2015 were \$54,665.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	<u>\$ 4,690</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP).

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 the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

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

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were 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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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 members 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 50 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.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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. District contributions to PERS amounted to \$99,257 for fiscal year 2015.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reported a liability of \$2,254,239 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.012%, which was an increase of 0.0003% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$125,021. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 70,885	
Changes in Proportion	49,641	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		\$ 134,340
	<u>\$ 120,526</u>	<u>\$ 134,340</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion) related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2015	\$ (20,555)
2016	(20,555)
2017	(20,555)
2018	(20,555)
2019	13,030
Thereafter	5,735
	<u>\$ (63,455)</u>

Actuarial Assumptions

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

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

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

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

class included in PERS' target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad U.S. Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

Discount Rate

The discount rate used to measure the total pension liability was 5.39% as of June 30, 2014. 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% as of June 30, 2014 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 upon 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 pension 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 pension 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2014 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate (Cont'd)

	Fiscal Year Ended June 30, 2015		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
District's proportionate share of the Net Pension Liability	\$ 2,835,910	\$ 2,254,239	\$ 1,765,784

Pension plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' 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. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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 included 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 year 2014, the State's pension contribution was less than the actuarially determined amount.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 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, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2015, the State of New Jersey contributed \$252,733 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$1,367,515.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the State's proportionate share of the net pension liability associated with the District was \$25,414,052. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.048%, which was an increase of 0.003% from its proportion measured as of June 30, 2013.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>25,414,052</u>
Total	<u><u>\$ 25,414,052</u></u>

For the fiscal year ended June 30, 2014, the State recognized pension expense on behalf of the District in the amount of \$1,367,515 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2015 financial statements.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 2,306,623,861	
Difference Between Expected and Actual Experience		\$ 21,969,019
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		1,741,236,574
	\$ 2,306,623,861	\$ 1,763,205,593

The \$2,306,623,861 reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years. The \$21,969,019 reported as deferred outflows of resources related to pensions resulting from differences between expected and actual experience will be amortized over a period of 8.5 years. The \$1,741,236,574 reported as a deferred inflow of resources resulting from the difference between projected and actual investment earnings on pension plan investments will be amortized over 5 years.

Fiscal Year Ending June 30,	Total
2016	\$ (130,688,498)
2017	(130,688,498)
2018	(130,688,498)
2019	(130,688,496)
2020	304,620,646
Thereafter	761,551,612
	\$ 543,418,268

Actuarial Assumptions

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

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-U.S. Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad U.S. Equities	25.90%	5.88%
Large CAP U.S. Equities	0.00%	5.62%
Mid CAP U.S. Equities	0.00%	6.39%
Small CAP U.S. Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.68% as of June 30, 2014. 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% as of June 30, 2014 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 upon the average of the last five years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the State as of June 30, 2014 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2014		
	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
Total Net Pension Liability	\$ 64,722,984,539	\$53,813,067,539	\$44,738,870,539

Pension Plan Fiduciary Net Position - TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. 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.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1,

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$2,176 for the fiscal year ended June 30, 2015. Employee contributions to DCRP amounted to \$3,989 for the fiscal year ended June 30, 2015.

NOTE 11. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. Chapter 103 of Public Law amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides employer paid benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State's on behalf Post Retirement Medical Contributions to TPAF for the District amounted to \$401,212, \$329,822 and \$328,195 for 2015, 2014 and 2013, respectively.

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. The District obtains their health benefit coverage through Amerihealth Insurance Company.

Property, Liability and Health Benefits

The Board is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report. The SAIF is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum.

Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected. As a member of the SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of SAIF's liabilities.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits (Cont'd)

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The audit for the year ended June 30, 2015 was not available as of the date of this report.

Selected summarized financial information for the SAIF as of June 30, 2014 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 33,508,569</u>
Net Position	<u>\$ 5,114,269</u>
Total Revenue	<u>\$ 33,869,258</u>
Total Expenses and Adjustments	<u>\$ 37,253,827</u>
Change in Net Position	<u>\$ (3,384,569)</u>
Members Dividends	<u>\$ -0-</u>

Financial Statements for SAIF are available at SAIF's Executive Director's Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Contributory Method”. Under this plan, the District is required to remit employee withholdings to the State on a quarterly basis. All of the District's claims are paid by the State.

NOTE 13. ECONOMIC DEPENDENCY

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 6,990	
Enterprise Fund - Food Service		\$ 5,228
Enterprise Fund - Child Care		695
Fiduciary Fund - Student Activities Agency		1,067
	<u>\$ 6,990</u>	<u>\$ 6,990</u>

The interfund between the General Fund and the Food Service and Child Care Funds and the Fiduciary Fund are for amounts due to the General Fund for expenses paid out of the General Fund.

NOTE 15. DEFERRED COMPENSATION

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is administered by Lincoln National, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE 16. TAX CALENDAR

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

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 17. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 17. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2015, there were encumbrances as detailed below in the governmental funds.

<u>General Fund</u>	<u>Total Governmental Funds</u>
\$ 53,032	\$ 53,032

The \$53,032 of General Fund fund balance assigned for the year end encumbrances on the budgetary basis is not reflected on the GAAP basis due to the final two state aid payments not being recorded on a GAAP basis.

NOTE 18. PRIOR PERIOD ADJUSTMENTS

The District made a prior year adjustment in the District Wide Financial Statements to record the net pension liability as of June 30, 2015 as a result of implementing Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

	<u>Balance 6/30/14 as Previously Reported</u>	<u>Retroactive Adjustments</u>	<u>Balance 6/30/14 as Restated</u>
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Statement of Net Position:			
Liabilities:			
Non-Current Liabilities	\$ 7,993,344	\$ 2,242,339	\$ 10,235,683
Total Liabilities	9,648,748	2,242,339	11,891,087
Net Position:			
Unrestricted/(Deficit)	(531,653)	(2,242,339)	(2,773,992)
Total Net Position	8,122,869	(2,242,339)	5,880,530

**SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION**

GREENWICH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability	0.0117326339%	0.0120401185%
District's proportionate share of the net pension liability	\$ 2,242,339	\$ 2,254,239
District's covered employee payroll	\$ 753,908	\$ 736,653
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	297.43%	306.01%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GREENWICH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 88,403	\$ 99,257
Contributions in relation to the contractually required contribution	<u>(88,403)</u>	<u>(99,257)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 753,908	\$ 736,653
Contributions as a percentage of covered employee payroll	11.73%	13.47%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GREENWICH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
State's proportion of the net pension liability attributable to the District	0.0449189308%	0.0475502337%
State's proportionate share of the net pension liability attributable to the District	\$ 22,701,674	\$ 25,414,052
District's covered employee payroll	\$ 4,436,910	\$ 4,499,358
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	511.66%	564.84%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.55% as of June 30, 2013 to 5.39% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.95% as of June 30, 2013 to 4.68% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.

BUDGETARY COMPARISON SCHEDULES

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 9,192,179		\$ 9,192,179	\$ 9,192,179	
Tuition From Individuals	24,500		24,500	25,654	\$ 1,154
Tuition From Other LEAs Within the State	16,500		16,500	17,830	1,330
Unrestricted Miscellaneous Revenues	35,000		35,000	29,544	(5,456)
Interest Earned on Emergency Reserve				372	372
Interest Earned on Capital Reserve				10	10
Total - Local Sources	<u>9,268,179</u>		<u>9,268,179</u>	<u>9,265,589</u>	<u>(2,590)</u>
State Sources:					
School Choice Aid	121,995		121,995	121,995	
Categorical Transportation Aid	198,562		198,562	198,562	
Extraordinary Aid	150,000		150,000	133,865	(16,135)
Categorical Special Education Aid	699,575		699,575	699,575	
Equalization Aid	4,770,510		4,770,510	4,770,510	
Categorical Security Aid	90,234		90,234	90,234	
Other State Aid	89,137		89,137	89,137	
Non Public Transportation Aid				5,411	5,411
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				252,733	252,733
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				401,212	401,212
Reimbursed TPAF Social Security Contributions (non-budgeted)				325,274	325,274
Total State Sources	<u>6,120,013</u>		<u>6,120,013</u>	<u>7,088,508</u>	<u>968,495</u>
TOTAL REVENUES	<u>15,388,192</u>		<u>15,388,192</u>	<u>16,354,097</u>	<u>965,905</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 104,591	\$ (24,236)	\$ 80,355	\$ 80,355	
Grades 1-5	1,438,326	(29,832)	1,408,494	1,408,494	
Grades 6-8	905,240	32,302	937,542	937,542	
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000	4,095	9,095	8,255	\$ 840
Purchased Professional-Educational Services	2,500	(1,662)	838	564	274
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	2,000	(1,304)	696	292	404
Other Purchased Services (400-500 series)	121,221		121,221	118,093	3,128
General Supplies	131,475	(11,969)	119,506	86,212	33,294
Other Objects	6,000		6,000	1,739	4,261
Total Regular Programs	<u>2,716,353</u>	<u>(32,606)</u>	<u>2,683,747</u>	<u>2,641,546</u>	<u>42,201</u>
Special Education:					
Multiple Disabilities:					
Salaries of Teachers	66,913	(2,418)	64,495	64,495	
Other Salaries for Instruction	10,693	4,247	14,940	14,940	
Total Multiple Disabilities	<u>77,606</u>	<u>1,829</u>	<u>79,435</u>	<u>79,435</u>	
Resource Room/Resource Center:					
Salaries of Teachers	806,473	52,845	859,318	859,318	
Other Salaries for Instruction	167,479	(7,431)	160,048	160,048	
General Supplies	4,500	(2,405)	2,095	1,366	729
Total Resource Room/Resource Center	<u>978,452</u>	<u>43,009</u>	<u>1,021,461</u>	<u>1,020,732</u>	<u>729</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Special Education - Instruction (Cont'd)					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 55,065	\$ 751	\$ 55,816	\$ 54,481	\$ 1,335
General Supplies	200	(200)			
Total Preschool Disabilities - Part-Time	<u>55,265</u>	<u>551</u>	<u>55,816</u>	<u>54,481</u>	<u>1,335</u>
Home Instruction:					
Salaries of Teachers	3,500	(1,053)	2,447	627	1,820
Purchased Professional-Educational Services	2,500	(1,778)	722	722	
Total Home School Instruction	<u>6,000</u>	<u>(2,831)</u>	<u>3,169</u>	<u>1,349</u>	<u>1,820</u>
Total Special Education	<u>1,117,323</u>	<u>42,558</u>	<u>1,159,881</u>	<u>1,155,997</u>	<u>3,884</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	302,577	(4,002)	298,575	298,575	
General Supplies	2,000	(1,850)	150		150
Total Basic Skills/Remedial - Instruction	<u>304,577</u>	<u>(5,852)</u>	<u>298,725</u>	<u>298,575</u>	<u>150</u>
Summer School - Instruction:					
Salaries of Teachers	25,000	2,000	27,000	27,000	
Purchased Professional & Technical Services	17,500		17,500	16,135	1,365
General Supplies	7,000	(6,900)	100		100
Total Summer School - Instruction	<u>49,500</u>	<u>(4,900)</u>	<u>44,600</u>	<u>43,135</u>	<u>1,465</u>
Total Instruction	<u>4,187,753</u>	<u>(800)</u>	<u>4,186,953</u>	<u>4,139,253</u>	<u>47,700</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAS Within the State - Regular	\$ 5,191,000	\$ 14,500	\$ 5,205,500	\$ 5,205,500	
Tuition to Other LEAS Within the State - Special	123,325	(60,674)	62,651	62,136	\$ 515
Tuition to County Vocational School District - Regular	23,160		23,160	23,160	
Tuition to County Vocational School District - Special	30,000		30,000	30,000	
Tuition to CSSD & Reg. Day Schools	226,620	(141,675)	84,945	84,945	
Tuition to Private Schools for the Disabled - Within State	600,424	224,007	824,431	786,712	37,719
Total Instruction	<u>6,194,529</u>	<u>36,158</u>	<u>6,230,687</u>	<u>6,192,453</u>	<u>38,234</u>
Health Services:					
Salaries	125,424	630	126,054	124,228	1,826
Purchased Professional and Technical Services	4,800		4,800	4,800	
Other Purchased Services (400-500 series)	500	(500)			
Supplies and Materials	1,500		1,500	1,237	263
Other Objects	300	(130)	170	170	
Total Health Services	<u>132,524</u>	<u>(130)</u>	<u>132,524</u>	<u>130,435</u>	<u>2,089</u>
Speech, OT, PT and Related Services:					
Salaries	131,643	(11,106)	120,537	120,537	
Purchased Professional - Educational Services	40,000	(15,020)	24,980	24,980	
Total Speech, OT, PT and Related Services	<u>171,643</u>	<u>(26,126)</u>	<u>145,517</u>	<u>145,517</u>	
Other Support Services - Extraordinary Services:					
Purchased Professional - Educational Services	81,955	73,005	154,960	154,960	
Total Other Support Services - Extraordinary Services	<u>81,955</u>	<u>73,005</u>	<u>154,960</u>	<u>154,960</u>	
Guidance:					
Salaries of Other Professional Staff	134,288	3,103	137,391	129,734	7,657
Purchased Professional - Educational Services	2,500	(2,500)			
Total Guidance	<u>136,788</u>	<u>603</u>	<u>137,391</u>	<u>129,734</u>	<u>7,657</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Child Study Team:					
Salaries of Other Professional Staff	\$ 185,419	\$ (1,698)	\$ 183,721	\$ 182,995	\$ 726
Salaries of Secretarial and Clerical Assistants	5,719	44	5,763	5,763	
Purchased Professional - Educational Services	5,000	1,368	6,368	6,368	
Misc Pur Serv (400-500 series O/than Resid Costs)	500	(222)	278	160	118
Supplies and Materials	1,500	(96)	1,404	1,404	
Total Child Study Team	<u>198,138</u>	<u>(604)</u>	<u>197,534</u>	<u>196,690</u>	<u>844</u>
Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	10,438		10,438	10,000	438
Salaries of Other Professional Staff	109,958		109,958	108,607	1,351
Supplies and Materials	750		750	300	450
Other Objects	1,250		1,250		1,250
Total Improvement of Instruction Services	<u>122,396</u>		<u>122,396</u>	<u>118,907</u>	<u>3,489</u>
Educational Media Services/School Library:					
Salaries	91,525	586	92,111	91,837	274
Other Purchased Services (400-500 series)	5,000	(586)	4,414	2,029	2,385
Supplies and Materials	52,191		52,191	32,356	19,835
Total Educational Media Services/School Library	<u>148,716</u>		<u>148,716</u>	<u>126,222</u>	<u>22,494</u>
Instructional Staff Training Services:					
Purchased Professional - Educational Services	10,000	(2,562)	7,438		7,438
Other Purchased Services (400-500 series)	3,500	563	4,063	2,104	1,959
Total Instructional Staff Training Services	<u>13,500</u>	<u>(1,999)</u>	<u>11,501</u>	<u>2,104</u>	<u>9,397</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current Expense:					
Support Services - General Administration:					
Salaries	\$ 122,132	\$ 7,750	\$ 129,882	\$ 126,967	\$ 2,915
Legal Services	30,000	(8,356)	21,644	12,924	8,720
Audit Fees	18,000		18,000	16,000	2,000
Other Purchased Professional Services	12,700		12,700	5,703	6,997
Communications/Telephone	34,700	(716)	33,984		33,984
BOE Other Purchased Services	3,500		3,500	1,580	1,920
Miscellaneous Purchased Services (400-500 series not 530/585)	23,719		23,719	8,469	15,250
General Supplies	1,500		1,500	1,315	185
BOE In-house Training/Meeting Supplies	100		100	53	47
Miscellaneous Expenditures	3,410		3,410	2,402	1,008
BOE Membership Dues and Fees	6,750	341	7,091	7,091	
Total Support Services - General Administration	256,511	(981)	255,530	182,504	73,026
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	171,670	(559)	171,111	171,111	
Salaries of Other Professional Staff	31,000		31,000	31,000	
Salaries of Secretarial and Clerical Assistants	116,133	3,667	119,800	119,800	
Purchased Professional and Technical Services	2,500	(1,941)	559		559
Other Purchased Services (400-500 series)	2,250	(1,000)	1,250	1,150	100
Supplies and Materials	7,000	(748)	6,252	4,380	1,872
Other Objects	1,250		1,250	970	280
Total Support Services - School Administration	331,803	(581)	331,222	328,411	2,811
Central Services:					
Salaries	61,375	(7,395)	53,980	53,980	
Purchased Professional Services	60,000		60,000	60,000	
Misc. Purchased Services (400-500) [O/T 594]	5,000	2,852	7,852	7,852	
Supplies and Materials	1,036	(682)	354	354	
Interest on Bond Anticipation Notes		5,969	5,969	5,969	
Total Central Services	127,411	744	128,155	128,155	

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Administration Information Technology:					
Purchased Technical Services	\$ 20,000	\$ 830	\$ 20,830	\$ 20,830	
Total Administration Information Technology	<u>20,000</u>	<u>830</u>	<u>20,830</u>	<u>20,830</u>	
Required Maintenance for School Facilities:					
Salaries	16,437	(10)	16,427	15,976	\$ 451
Cleaning, Repair and Maintenance Services	55,000	6,368	61,368	42,860	18,508
General Supplies	7,500		7,500	6,314	1,186
Total Required Maintenance for School Facilities	<u>78,937</u>	<u>6,358</u>	<u>85,295</u>	<u>65,150</u>	<u>20,145</u>
Custodial Services:					
Salaries	237,556	(21,589)	215,967	214,996	971
Purchased Professional and Technical Services	1,750	(1,000)	750	750	
Cleaning, Repair and Maintenance Services	23,683	150	23,833	23,833	
Other Purchased Property Services	46,850	(7,301)	39,549	39,549	
Insurance	29,470	(1,072)	28,398	28,248	150
Miscellaneous Purchased Services	500		500	180	320
General Supplies	30,388	(2,657)	27,731	24,847	2,884
Energy (Natural Gas)	42,000	4,199	46,199	46,199	
Energy (Electricity)	185,000	26,448	211,448	211,448	
Total Custodial Services	<u>597,197</u>	<u>(2,822)</u>	<u>594,375</u>	<u>590,050</u>	<u>4,325</u>
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	15,000	3,700	18,700	18,700	
General Supplies	1,500	(1,500)			
Total Care and Upkeep of Grounds	<u>16,500</u>	<u>2,200</u>	<u>18,700</u>	<u>18,700</u>	

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Student Transportation Services:					
Salaries for Pupil Transp. Between Home and School - Regular	\$ 18,494	\$ 5,539	\$ 24,033	\$ 24,033	
Management Fee - ESC & CTSA Trans. Program		4,203	4,203	4,203	
Contract. Serv. - Aid in Lieu Pymts - Non Public School	26,520	(884)	25,636	25,636	
Contract Services - (Between Home and School) - Vendors	353,158	(76,236)	276,922	276,922	
Contract Services (Other than Between Home & School)-Vendors	2,500	(250)	2,250	2,250	
Contract Services - (Between Home and School) - Joint Agreements	1,500	11,170	12,670	12,670	
Contract Services - (Sp Ed Students) - Vendors	305,000	33,355	338,355	338,355	
Contract Services - (Reg. Students) - ESCs & CTSA's	60,000	(18,231)	41,769	41,314	\$ 455
Total Student Transportation Services	<u>767,172</u>	<u>(41,334)</u>	<u>725,838</u>	<u>725,383</u>	<u>455</u>
Unallocated Benefits:					
Social Security Contributions	90,000	8,697	98,697	83,780	14,917
Other Retirement Contributions - PERS	105,000	(5,743)	99,257	99,257	
Unemployment Compensation	25,000	(1,742)	23,258	23,258	
Workmen's Compensation	50,475	(303)	50,172	50,172	
Health Benefits	1,492,754	10,983	1,503,737	1,503,737	
Tuition Reimbursement	20,000	838	20,838	20,838	
Other Employee Benefits	72,000	(57,381)	14,619	14,619	
Total Unallocated Benefits	<u>1,855,229</u>	<u>(44,651)</u>	<u>1,810,578</u>	<u>1,795,661</u>	<u>14,917</u>
On-Behalf Contributions:					
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				252,733	(252,733)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				401,212	(401,212)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				325,274	(325,274)
Total On-Behalf Contributions				<u>979,219</u>	<u>(979,219)</u>
Total Personal Services - Employee Benefits	<u>1,855,229</u>	<u>(44,651)</u>	<u>1,810,578</u>	<u>2,774,880</u>	<u>(964,302)</u>
Total Undistributed Expenditures	<u>11,250,949</u>	<u>800</u>	<u>11,251,749</u>	<u>12,031,085</u>	<u>(779,336)</u>
Total Expenditures - Current Expense	<u>15,438,702</u>		<u>15,438,702</u>	<u>16,170,338</u>	<u>(731,636)</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Capital Outlay:					
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	\$ 10,000		\$ 10,000	\$ 6,500	\$ 3,500
Construction Services	40,000		40,000	24,700	15,300
Assessment for Debt Service on SDA Funding	32,229		32,229	32,229	
Total Facilities Acquisition and Construction Services	<u>82,229</u>		<u>82,229</u>	<u>63,429</u>	<u>18,800</u>
Total Capital Outlay	<u>82,229</u>		<u>82,229</u>	<u>63,429</u>	<u>18,800</u>
TOTAL EXPENDITURES	<u>15,520,931</u>		<u>15,520,931</u>	<u>16,233,767</u>	<u>(712,836)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(132,739)</u>		<u>(132,739)</u>	<u>120,330</u>	<u>253,069</u>
Fund Balance, July 1	<u>720,567</u>		<u>720,567</u>	<u>720,567</u>	
Fund Balance, June 30	<u>\$ 587,828</u>	<u>\$ -0-</u>	<u>\$ 587,828</u>	<u>\$ 840,897</u>	<u>\$ 253,069</u>

Recapitulation:

Restricted:

Capital Reserve	\$ 687
Emergency Reserve	25,710
Excess Surplus	195,451
Excess Surplus - Designated for Subsequent Year's Expenditures	255,515

Assigned:

Year End Encumbrances	53,032
Unassigned	<u>310,502</u>
	840,897

Reconciliation to Governmental Funds Statements (GAAP):

June State Aid Payments not recognized on GAAP Basis	(585,750)
Fund Balance per Governmental Funds (GAAP)	<u>\$ 255,147</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 676	\$ 2,811	\$ 3,487	\$ 2,456	\$ (1,031)
Federal Sources	209,244	473	209,717	209,244	(473)
Total Revenues	209,920	3,284	213,204	211,700	(1,504)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	374	1,500	1,830	627	1,203
Tuition	159,127		159,127	159,127	
Other Purchased Services	8,905		8,905	8,905	
Purchased Professional Services	34,512		34,512	34,512	
General Supplies	1,201		1,201	900	301
Total Instruction	204,119	1,500	205,575	204,071	1,504
Support Services:					
Purchased Professional-Educational Services	3,000		3,000	3,000	
Supplies and Materials	2,800	1,829	4,629	4,629	
Total Support Services	5,800	1,829	7,629	7,629	
Total Expenditures	\$ 209,919	\$ 3,329	\$ 213,204	\$ 211,700	\$ 1,504

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 16,354,097	\$ 211,700
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not:		
Prior Year Encumbrances		1,462
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	578,705	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(585,750)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 16,347,052	\$ 213,162
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 16,233,767	\$ 211,700
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:		
Prior Year Encumbrances		1,462
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 16,233,767	\$ 213,162

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets were submitted to the County office and were approved by a public vote in April 2014. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

SPECIAL REVENUE FUND

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

	<u>No Child Left Behind</u>		<u>IDEA Part B</u>		<u>Autism Alliance Grant</u>	<u>Target Grant</u>	<u>Totals</u>
	<u>Title I 2014-15</u>	<u>Title II 2014-15</u>	<u>Basic 2014-15</u>	<u>Preschool 2014-15</u>			
REVENUE:							
Local Sources					\$ 1,829	\$ 627	\$ 2,456
Federal Sources	\$ 40,131	\$ 9,986	\$ 149,068	\$ 10,059			209,244
Total Revenue	40,131	9,986	149,068	10,059	1,829	627	211,700
EXPENDITURES:							
Instruction:							
Salaries of Teachers						627	627
Tuition			149,068	10,059			159,127
Other Purchased Services	8,905						8,905
Purchased Professional Services	30,326	4,186					34,512
General Supplies	900						900
Total Instruction	40,131	4,186	149,068	10,059		627	204,071
Support Services:							
Purchased Professional - Educational Services		3,000					3,000
Supplies and Materials		2,800			1,829		4,629
Total Support Services		5,800			1,829		7,629
Total Expenditures	\$ 40,131	\$ 9,986	\$ 149,068	\$ 10,059	\$ 1,829	\$ 627	\$ 211,700

CAPITAL PROJECTS FUND

Exhibit F-1

GREENWICH 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

Revenue and Other Financing Sources:	
Private Contribution - Solar Project	\$ 42,642
Total Revenue and Other Financing Sources	<u>42,642</u>
Expenditures:	
Architectural/ Engineering Services	<u>25,061</u>
Total Expenditures	<u>25,061</u>
Excess of Revenue Over Expenditures	17,581
Fund Balance - Beginning of Year	<u>63,148</u>
Fund Balance - End of Year	<u><u>\$ 80,729</u></u>
Recapitulation:	
Restricted	\$ 63,148
Committed	<u>17,581</u>
	<u><u>\$ 80,729</u></u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS - STEWARTSVILLE SCHOOL WINDOW/ROOF REPLACEMENT
GREENWICH SCHOOL SITE/DRAINAGE PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 630,837		\$ 630,837	\$ 630,837
Serial Bond Proceeds	1,000,000		1,000,000	1,101,858
Total Revenue and Other Financing Sources	1,630,837		1,630,837	1,732,695
Expenditures:				
Purchased Professional and Technical Services	247,355		247,355	250,000
Construction Services	1,320,334		1,320,334	1,482,695
Total Expenditures	1,567,689		1,567,689	1,732,695
Excess of Revenue and Other Financing Sources Over Expenditures	\$ 63,148	\$ -0-	\$ 63,148	\$ -0-

Additional Project Information:

Project Number	1840-070-10-1001, 1840-040-10-1002, 1840-070-10-1003
Grant Date	8/30/2010
Bond Issue Date	3/12/2013
Bonds Authorization Date	1/25/2011
Bonds Issued	\$ 1,000,000
Original Authorized Cost	\$ 1,864,800
Adjustments to Authorized Cost	\$ (132,105)
Revised Authorized Cost	\$ 1,732,695
Percentage Decrease over Original Authorized Cost	7.08%
Percentage Completion	100%
Original Target Completion Date	June 2012
Revised Target Completion Date	June 2014

Exhibit F-1b

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE PROJECT OF REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS - GREENWICH SCHOOL SOLAR ENERGY PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Curent Year	Total	Revised Authorized Cost
Revenue:				
Local Share - Private Contribution	60,000	\$ 42,642	\$ 102,642	\$ 102,642
Total Revenues	60,000	42,642	102,642	102,642
Expenditures:				
Architectural/ Engineering Services	20,000	25,061	45,061	62,642
Purchased Professional and Technical Services	40,000		40,000	40,000
Total Expenditures	60,000	25,061	85,061	102,642
Excess of Revenue Over Expenditures	\$ - 0 -	\$ 17,581	\$ 17,581	\$ - 0 -
Additional Project Information:				
Original Authorized Cost		\$ 60,000		
Additional Authorized Cost		\$ 42,642		
Revised Authorized Cost		\$ 102,642		
Percentage Increase over Original Authorized Cost		0%		
Percentage Completion		100%		
Original Target Completion Date		June 2014		
Revised Target Completion Date		June 2015		

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF TEMPORARY NOTES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Purpose	Original Issue	Issue Date	Maturity Date	Interest Rate	Balance June 30, 2014	Issued	Matured	Balance June 30, 2015
Drainage at Greenwich School, Window Replacement and Roof Replacement at Stewartsville School	\$ 864,800	3/11/2014	3/10/2015	0.69%	\$ 864,800		\$ 864,800	\$ - 0 -
					<u>\$ 864,800</u>	<u>\$ - 0 -</u>	<u>\$ 864,800</u>	<u>\$ - 0 -</u>

PROPRIETARY FUNDS

Exhibit G-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Business-Type Activities: Enterprise Funds			
	Non-Major Fund	Major Funds		Total
	Food Service	Preschool Services	Child Care	
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 25,923	\$ 131,533	\$ 134,062	\$ 291,518
Accounts Receivable:				
Federal	2,473			2,473
State	128			128
Inventories	5,691			5,691
Total Current Assets	34,215	131,533	134,062	299,810
Non-Current Assets:				
Capital Assets	210,000			210,000
Less: Accumulated Depreciation	(192,007)			(192,007)
Total Non-Current Assets	17,993			17,993
Total Assets	52,208	131,533	134,062	317,803
<u>LIABILITIES:</u>				
Current Liabilities:				
Prepaid Sales	4,502			4,502
Unearned Revenue	1,414			1,414
Interfund Payable - General Fund	5,228		695	5,923
Total Current Liabilities	11,144		695	11,839
Total Liabilities	11,144		695	11,839
<u>NET POSITION:</u>				
Net Investment in Capital Assets	17,993			17,993
Unrestricted	23,071	131,533	133,367	287,971
Total Net Position	\$ 41,064	\$ 131,533	\$ 133,367	\$ 305,964

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-Type Activities: Enterprise Funds			Total
	Non-Major Fund	Major Funds		
	Food Service	Preschool Services	Child Care	
Operating Revenue:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$ 91,139			\$ 91,139
Daily Sales - Nonreimbursable Programs	57,985			57,985
Preschool Fees		\$ 122,604		122,604
Child Care Fees			\$ 145,565	145,565
Total Operating Revenue	<u>149,124</u>	<u>122,604</u>	<u>145,565</u>	<u>417,293</u>
Operating Expenses:				
Cost of Sales	91,709			91,709
Salaries and Employee Benefits	68,991	77,578	58,061	204,630
Supplies and Materials	2,697	1,391	3,110	7,198
Management Fee	10,000			10,000
Miscellaneous	431	750	25,786	26,967
Depreciation	11,173			11,173
Total Operating Expenses	<u>185,001</u>	<u>79,719</u>	<u>86,957</u>	<u>351,677</u>
Operating Income/(Loss)	<u>(35,877)</u>	<u>42,885</u>	<u>58,608</u>	<u>65,616</u>
Non-Operating Revenue:				
Local Sources:				
Interest Income	73	419	354	846
Federal Sources:				
National School Lunch Program	33,451			33,451
Food Distribution Program	13,707			13,707
State Sources:				
State School Lunch Program	1,733			1,733
Total Non-Operating Revenue	<u>48,964</u>	<u>419</u>	<u>354</u>	<u>49,737</u>
Change in Net Position	13,087	43,304	58,962	115,353
Net Position - Beginning of Year	<u>27,977</u>	<u>88,229</u>	<u>74,405</u>	<u>190,611</u>
Net Position - End of Year	<u>\$ 41,064</u>	<u>\$ 131,533</u>	<u>\$ 133,367</u>	<u>\$ 305,964</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-Type Activities: Enterprise Funds			
	Non-Major Fund	Major Funds		Total
	Food Service	Preschool Services	Child Care	
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 150,201	\$ 121,354	\$ 145,565	\$ 417,120
Payments to/for Employees		(77,578)	(58,061)	(135,639)
Other Payments	(168,988)	(2,141)	(28,620)	(199,749)
Net Cash Provided by/(Used for) Operating Activities	(18,787)	41,635	58,884	81,732
Cash Flows by Noncapital Financing Activities:				
Cash Received from Federal and State Reimbursements	38,963			38,963
Net Cash Provided by Noncapital Financing Activities	38,963			38,963
Cash Flows from Investing Activities:				
Interest on Investments	73	419	354	846
Net Cash Provided by Investing Activities	73	419	354	846
Net Increase in Cash and Cash Equivalents	20,249	42,054	59,238	121,541
Cash and Cash Equivalents, July 1	5,674	89,479	74,824	169,977
Cash and Cash Equivalents, June 30	\$ 25,923	\$ 131,533	\$ 134,062	\$ 291,518
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/				
(Used for) Operating Activities:				
Operating Income/(Loss)	\$ (35,877)	\$ 42,885	\$ 58,608	\$ 65,616
Adjustment to Reconcile Operating Income/(Loss) to Net Cash				
Provided by/(Used for) Operating Activities:				
Depreciation	11,173			11,173
Federal Food Distribution Program	13,707			13,707
Changes in Assets and Liabilities:				
Decrease in Inventories	3,146			3,146
(Decrease) in Unearned Revenue	(2,699)	(1,250)		(3,949)
Increase in Prepaid Sales	1,077			1,077
Increase/(Decrease) in Interfund Payable	(9,314)		276	(9,038)
Net Cash Provided by/(Used for) Operating Activities	\$ (18,787)	\$ 41,635	\$ 58,884	\$ 81,732

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received commodities from the Federal Food Distribution Program valued at \$11,008 and utilized commodities valued at \$13,707 for the fiscal year ended June 30, 2015.

FIDUCIARY FUNDS

Exhibit H-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Agency		Total Agency
	Student Activities	Payroll	
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 35,158	\$ 233,435	\$ 268,593
Total Assets	35,158	233,435	268,593
<u>LIABILITIES:</u>			
Payroll Deductions and Withholdings		8,618	8,618
Accrued Salaries and Wages - Summer Savings Plan		224,817	224,817
Interfund Payable - General Fund	1,067		1,067
Payable to Student Groups	34,091		34,091
Total Liabilities	\$ 35,158	\$ 233,435	\$ 268,593

GREENWICH TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOT APPLICABLE

Exhibit H-3

GREENWICH TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 39,985	\$ 128,776	\$ 133,603	\$ 35,158
Total Assets	<u>\$ 39,985</u>	<u>\$ 128,776</u>	<u>\$ 133,603</u>	<u>\$ 35,158</u>
<u>LIABILITIES:</u>				
Interfund Payable - General Fund	\$ 990	\$ 27,032	\$ 26,955	\$ 1,067
Due to Student Groups	38,995	101,744	106,648	34,091
Total Liabilities	<u>\$ 39,985</u>	<u>\$ 128,776</u>	<u>\$ 133,603</u>	<u>\$ 35,158</u>

Exhibit H-4

GREENWICH TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 215,988	\$ 6,559,436	\$ 6,541,989	\$ 233,435
Total Assets	<u>\$ 215,988</u>	<u>\$ 6,559,436</u>	<u>\$ 6,541,989</u>	<u>\$ 233,435</u>
 <u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 7,119	\$ 6,334,619	\$ 6,333,120	\$ 8,618
Accrued Salaries and Wages - Summer Savings Plan	<u>208,869</u>	<u>224,817</u>	<u>208,869</u>	<u>224,817</u>
Total Liabilities	<u>\$ 215,988</u>	<u>\$ 6,559,436</u>	<u>\$ 6,541,989</u>	<u>\$ 233,435</u>

LONG-TERM DEBT

GREENWICH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2015		Interest Rate	Balance July, 1 2014	Issued	Defeased	Matured	Balance June 30, 2015
			Date	Amount						
Refunding 1998 School Bonds	6/15/2005	\$7,500,000				\$ 3,445,000		\$ 2,650,000	\$ 795,000	
School Addition Project/ Refunding 2001 School Bonds	7/6/2006	4,520,000	7/1/2015	\$ 325,000	3.50%					
			7/1/2016	345,000	to					
			7/1/2017	360,000	4.25%					
			7/1/2018	375,000						
			7/1/2019	395,000						
			7/1/2020	410,000						
			7/1/2021	435,000						
			7/1/2022	450,000		3,405,000			310,000	\$ 3,095,000
School Bonds, Series 2013	3/12/2013	1,000,000	1/15/2016	139,379	2.45%					
			1/15/2017	141,086	2.45%					
			1/15/2018	142,815	2.45%					
			1/15/2019	144,564	2.45%					
			1/15/2020	146,335	2.45%					
			1/15/2021	148,129	2.45%	1,000,000			137,692	862,308
Refunding Bonds	12/23/2014	2,765,000	1/15/2016	900,000	1.00%					
			1/15/2017	910,000	1.25%					
			1/15/2018	925,000	1.50%		\$ 2,765,000		30,000	2,735,000
						\$ 7,850,000	\$ 2,765,000	\$ 2,650,000	\$ 1,272,692	\$ 6,692,308

Exhibit I-2

GREENWICH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOT APPLICABLE

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 991,034		\$ 991,034	\$ 991,034	
State Sources:					
Debt Service Aid Type II	555,425		555,425	555,425	
Total Revenue	<u>1,546,459</u>		<u>1,546,459</u>	<u>1,546,459</u>	
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	\$ 1,242,693	\$ 30,018	1,272,711	1,272,692	\$ 19
Interest	329,888	(30,018)	299,870	265,750	34,120
Total Regular Debt Service	<u>1,572,581</u>		<u>1,572,581</u>	<u>1,538,442</u>	<u>34,139</u>
Total Expenditures	<u>1,572,581</u>		<u>1,572,581</u>	<u>1,538,442</u>	<u>34,139</u>
Excess/(Deficit) of Revenue					
Over/(Under) Expenditures	(26,122)		(26,122)	8,017	34,139
Other Financing Sources/(Uses):					
Refunding Bonds Issued				2,765,000	2,765,000
Bond Premium				25,526	25,526
Serial Bonds Defeased				(2,650,000)	(2,650,000)
Bond Issuance Costs				(70,227)	(70,227)
Deferred Interest				(70,299)	(70,299)
Total Other Financing Sources/(Uses)					

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	\$ (26,122)		\$ (26,122)	\$ 8,017	\$ 34,139
Fund Balance, July 1	<u>49,569</u>		<u>49,569</u>	<u>49,569</u>	
Fund Balance, June 30	<u>\$ 23,447</u>	<u>\$ -0-</u>	<u>\$ 23,447</u>	<u>\$ 57,586</u>	<u>\$ 34,139</u>
<u>Recapitulation of Fund Balance at June 30, 2015:</u>					
Restricted for Subsequent Year's Expenditures				\$ 23,447	
Restricted - Other Purposes				<u>34,139</u>	
				<u>\$ 57,586</u>	

STATISTICAL SECTION

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

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

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

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

J-14 thru J-15

Operating Information

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

J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015
Governmental Activities:										
Net Investment in Capital Assets	\$ 2,260,927	\$ 2,537,365	\$ 3,080,352	\$ 3,891,031	\$ 4,402,005	\$ 5,637,005	\$ 7,235,106	\$ 7,252,593	\$ 8,165,585	\$ 8,808,908
Restricted	2,601,348	2,875,923	2,045,733	1,659,424	747,180	574,309	655,115	531,600	488,937	598,097
Unrestricted/(Deficit)	(27,703)	(382,603)	(366,449)	(680,748)	(688,793)	(116,142)	(1,229,511)	(490,869)	(2,773,992)	(2,674,682)
Total Governmental Activities Net Position	<u>\$ 4,834,572</u>	<u>\$ 5,030,685</u>	<u>\$ 4,759,636</u>	<u>\$ 4,869,707</u>	<u>\$ 4,460,392</u>	<u>\$ 6,095,172</u>	<u>\$ 6,660,710</u>	<u>\$ 7,293,324</u>	<u>\$ 5,880,530</u>	<u>\$ 6,732,323</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 87,962	\$ 102,884	\$ 91,790	\$ 85,098	\$ 76,489	\$ 64,325	\$ 57,812	\$ 40,339	\$ 29,166	\$ 17,993
Unrestricted	51,876	50,494	51,672	51,751	47,484	135,792	110,147	92,250	161,445	287,971
Total Business-Type Activities Net Position	<u>\$ 139,838</u>	<u>\$ 153,378</u>	<u>\$ 143,462</u>	<u>\$ 136,849</u>	<u>\$ 123,973</u>	<u>\$ 200,117</u>	<u>\$ 167,959</u>	<u>\$ 132,589</u>	<u>\$ 190,611</u>	<u>\$ 305,964</u>
District-Wide:										
Net Investment in Capital Assets	\$ 2,348,889	\$ 2,640,249	\$ 3,172,142	\$ 3,976,129	\$ 4,478,494	\$ 5,701,330	\$ 7,292,918	\$ 7,292,932	\$ 8,194,751	\$ 8,826,901
Restricted	2,601,348	2,875,923	2,045,733	1,659,424	747,180	574,309	655,115	531,600	488,937	598,097
Unrestricted/(Deficit)	24,173	(332,109)	(314,777)	(628,997)	(641,309)	19,650	(1,119,364)	(398,619)	(2,612,547)	(2,386,711)
Total District Net Position	<u>\$ 4,974,410</u>	<u>\$ 5,184,063</u>	<u>\$ 4,903,098</u>	<u>\$ 5,006,556</u>	<u>\$ 4,584,365</u>	<u>\$ 6,295,289</u>	<u>\$ 6,828,669</u>	<u>\$ 7,425,913</u>	<u>\$ 6,071,141</u>	<u>\$ 7,038,287</u>

* Restated

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 4,229,557	\$ 4,538,871	\$ 5,023,907	\$ 4,963,085	\$ 5,156,261	\$ 4,845,458	\$ 4,794,881	\$ 4,770,961	\$ 4,547,184	\$ 5,054,540
Special Education	1,341,947	1,580,345	1,621,193	1,683,557	1,538,025	1,499,990	1,509,108	1,855,193	1,930,427	2,237,095
Other Special Education	129,992	257,104	331,154	286,852	243,918	198,661	302,293	394,362	453,061	534,048
School-Sponsored/ Other Instruction								68,947	61,171	81,246
Support Services:										
Tuition	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589	3,076,798	3,073,629	4,423,854	5,576,032	6,192,453
Student & Instruction Related Services	1,038,146	1,230,693	1,304,833	1,358,650	1,685,994	1,335,706	1,327,221	1,156,456	1,337,037	1,485,340
General Administrative Services	663,730	768,304	872,204	830,816	859,182	680,084	584,406	311,276	318,597	232,314
School Administrative Services	278,659	306,813	317,029	330,982	332,110	396,381	441,338	456,518	462,909	514,634
Central Services								166,148	178,788	146,828
Administrative Information Technology								29,992	20,367	27,913
Plant Operations And Maintenance	837,527	950,832	1,186,874	1,163,493	1,154,066	943,374	952,956	720,048	747,741	829,021
Pupil Transportation	657,533	780,797	795,535	990,879	963,560	658,841	653,682	681,102	738,955	733,554
Capital Outlay									84,736	88,490
Interest on Long-term Debt	793,146	702,022	654,190	607,393	562,794	499,144	490,288	423,004	371,721	203,391
Unallocated Depreciation	62,456	47,582	46,835	49,959	46,864	46,864	52,341	50,995	51,437	51,437
Total Governmental Activities Expenses	12,854,336	13,469,408	14,727,693	15,043,327	15,171,363	14,181,301	14,182,143	15,508,856	16,880,163	18,412,304

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses: (Cont'd)										
Business-Type Activities:										
Food Service	\$ 178,229	\$ 195,628	\$ 193,643	\$ 199,510	\$ 224,799	\$ 205,138	\$ 208,907	\$ 194,613	\$ 188,881	\$ 185,001
Preschool Services						29,614	37,288	54,187	79,719	
Child Care						45,493	159,644	145,480	101,250	86,957
Total Business-Type Activities Expense	<u>178,229</u>	<u>195,628</u>	<u>193,643</u>	<u>199,510</u>	<u>224,799</u>	<u>250,631</u>	<u>398,165</u>	<u>377,381</u>	<u>344,318</u>	<u>351,677</u>
Total District Expenses	<u>\$13,032,565</u>	<u>\$13,665,036</u>	<u>\$14,921,336</u>	<u>\$15,242,837</u>	<u>\$15,396,162</u>	<u>\$14,431,932</u>	<u>\$14,580,308</u>	<u>\$15,886,237</u>	<u>\$17,224,481</u>	<u>\$18,763,981</u>
Program Revenues:										
Governmental Activities:										
Charges for services:										
Instruction-Regular	\$ 37,900	\$ 35,451	\$ 44,000	\$ 47,900	\$ 15,250	\$ 2,500				
Operating Grants and Contributions	6,119,821	6,292,468	6,620,727	7,190,179	7,297,465	7,176,767	\$ 7,556,109	\$ 2,247,628	\$ 2,168,851	\$ 3,341,636
Capital Grants and Contributions								690,837	42,642	
Total Governmental Activities Program Revenues	<u>6,157,721</u>	<u>6,327,919</u>	<u>6,664,727</u>	<u>7,238,079</u>	<u>7,312,715</u>	<u>7,179,267</u>	<u>7,556,109</u>	<u>2,247,628</u>	<u>2,859,688</u>	<u>3,384,278</u>
Business-Type Activities:										
Charges for services:										
Food Service	147,637	151,188	152,534	159,884	160,177	132,950	130,925	119,847	131,146	149,124
Preschool Services						42,808	41,114	50,674	74,170	122,604
Child Care						111,873	136,182	127,212	150,586	145,565
Operating Grants and Contributions	29,730	29,077	31,085	34,486	42,109	39,119	45,423	50,066	45,886	48,891
Total Business-Type Activities	<u>177,367</u>	<u>180,265</u>	<u>183,619</u>	<u>194,370</u>	<u>202,286</u>	<u>326,750</u>	<u>353,644</u>	<u>347,799</u>	<u>401,788</u>	<u>466,184</u>
Total District Program Revenues	<u>\$ 6,335,088</u>	<u>\$ 6,508,184</u>	<u>\$ 6,848,346</u>	<u>\$ 7,432,449</u>	<u>\$ 7,515,001</u>	<u>\$ 7,506,017</u>	<u>\$ 7,909,753</u>	<u>\$ 2,595,427</u>	<u>\$ 3,261,476</u>	<u>\$ 3,850,462</u>
Change in Net (Expense)/Revenue:										
Governmental Activities	\$ (6,696,615)	\$ (7,141,489)	\$ (8,062,966)	\$ (7,805,248)	\$ (7,858,648)	\$ (7,002,034)	\$ (6,626,034)	\$ (13,261,228)	\$ (14,020,475)	\$ (15,028,026)
Business-Type Activities	<u>(862)</u>	<u>(15,363)</u>	<u>(10,024)</u>	<u>(5,140)</u>	<u>(22,513)</u>	<u>76,119</u>	<u>(44,521)</u>	<u>(29,582)</u>	<u>57,470</u>	<u>114,507</u>
Total District Net Expense	<u>\$ (6,697,477)</u>	<u>\$ (7,156,852)</u>	<u>\$ (8,072,990)</u>	<u>\$ (7,810,388)</u>	<u>\$ (7,881,161)</u>	<u>\$ (6,925,915)</u>	<u>\$ (6,670,555)</u>	<u>\$ (13,290,810)</u>	<u>\$ (13,963,005)</u>	<u>\$ (14,913,519)</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 6,030,549	\$ 6,508,815	\$ 6,678,820	\$ 6,699,025	\$ 6,699,025	\$ 6,699,025	\$ 6,981,458	\$ 7,121,087	\$ 7,933,509	\$ 9,192,179
Taxes Levied for Debt Services	979,067	857,472	918,756	899,772	934,188	1,096,028	1,117,623	1,126,717	1,133,532	991,034
Unrestricted State Aid						762,942		5,549,610	5,725,141	5,620,740
Investment Earnings	142,633	190,832	131,790	36,393	8,934	4,253	11,971	507	507	382
Miscellaneous Income	55,149	68,401	62,551	89,384	67,606	74,566	159,511	95,921	57,331	75,484
Transfers				(4,434)						
Total Governmental Activities	<u>7,207,398</u>	<u>7,625,520</u>	<u>7,791,917</u>	<u>7,720,140</u>	<u>7,709,753</u>	<u>8,636,814</u>	<u>8,270,563</u>	<u>13,893,842</u>	<u>14,850,020</u>	<u>15,879,819</u>
Business-Type Activities:										
Investment Earnings								512	552	846
Miscellaneous Income	74	94	108	93	3,637	25	6,712			
Transfers				4,434						
Special Item - Capital Asset Adjustment								(6,300)		
Total Business-Type Activities	<u>74</u>	<u>94</u>	<u>108</u>	<u>4,527</u>	<u>3,637</u>	<u>25</u>	<u>6,712</u>	<u>(5,788)</u>	<u>552</u>	<u>846</u>
Total District-Wide	<u>\$ 7,207,472</u>	<u>\$ 7,625,614</u>	<u>\$ 7,792,025</u>	<u>\$ 7,724,667</u>	<u>\$ 7,713,390</u>	<u>\$ 8,636,839</u>	<u>\$ 8,277,275</u>	<u>\$ 13,888,054</u>	<u>\$ 14,850,572</u>	<u>\$ 15,880,665</u>
Change in Net Position:										
Governmental Activities	\$ 510,783	\$ 484,031	\$ (271,049)	\$ (85,108)	\$ (148,895)	\$ 1,634,780	\$ 1,644,529	\$ 632,614	\$ 829,545	\$ 851,793
Business-Type Activities	(862)	(15,363)	(10,024)	(5,140)	(22,513)	76,119	(44,521)	(35,370)	58,022	115,353
Total District	<u>\$ 509,921</u>	<u>\$ 468,668</u>	<u>\$ (281,073)</u>	<u>\$ (90,248)</u>	<u>\$ (171,408)</u>	<u>\$ 1,710,899</u>	<u>\$ 1,600,008</u>	<u>\$ 597,244</u>	<u>\$ 887,567</u>	<u>\$ 967,146</u>

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Reserved/Restricted	\$ 2,601,348	\$ 2,875,923	\$ 2,045,733	\$ 1,659,424	\$ 793,101	\$ 637,055	\$ 642,381	\$ 505,478	\$ 376,220	\$ 477,363
Unreserved/(Deficit)	313,785	58,226	60,993	(181,222)	(303,203)	(99,841)				
Assigned							509,313	369,988		
Unassigned/(Deficit)									(234,358)	(222,216)
Total General Fund	<u>\$ 2,915,133</u>	<u>\$ 2,934,149</u>	<u>\$ 2,106,726</u>	<u>\$ 1,478,202</u>	<u>\$ 489,898</u>	<u>\$ 537,214</u>	<u>\$ 1,151,694</u>	<u>\$ 875,466</u>	<u>\$ 141,862</u>	<u>\$ 255,147</u>
All Other Governmental Funds:										
Reserved/Restricted						\$ 1,464,795	\$ 12,734	\$ 26,122	\$ 112,717	\$ 120,734
Unreserved, Reported In:										
Capital Projects Fund						(850,382)				
Debt Service Fund	\$ 167,482	\$ 16,447				38,106				
Committed										17,581
Unassigned/(Deficit)							(1,474,509)	(567,689)		
Total All Other Governmental Funds	<u>\$ 167,482</u>	<u>\$ 16,447</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 652,519</u>	<u>\$ (1,461,775)</u>	<u>\$ (541,567)</u>	<u>\$ 112,717</u>	<u>\$ 138,315</u>

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Tax Levy	\$ 7,009,616	\$ 7,366,287	\$ 7,597,576	\$ 7,598,797	\$ 7,633,213	\$ 7,795,053	\$ 8,099,081	\$ 8,247,804	\$ 9,067,041	\$ 10,183,213
Tuition Charges	37,900	35,451	44,000	47,900	15,250	2,500	4,920	19,289	15,585	43,484
Interest Earnings								507	507	382
Miscellaneous	197,782	259,233	194,341	125,777	76,540	78,819	166,562	76,631	41,746	32,000
Private Contribution - Capital									60,000	42,642
State Sources	5,913,332	6,071,675	6,295,961	6,844,661	6,009,095	7,548,077	7,113,457	7,553,303	8,286,176	7,636,888
Federal Sources	206,489	220,793	324,766	345,518	1,288,370	391,632	442,652	243,936	238,653	210,706
Total Revenue	13,365,119	13,953,439	14,456,644	14,962,653	15,022,468	15,816,081	15,826,672	16,141,470	17,709,708	18,149,315
Expenditures:										
Instruction:										
Regular Instruction	2,775,264	3,113,348	3,384,413	3,313,130	3,479,123	3,147,100	3,044,046	2,911,420	2,776,111	2,695,108
Special Education Instruction	1,040,106	1,174,762	1,229,527	1,257,497	1,163,571	1,104,802	1,106,324	1,284,941	1,315,262	1,315,597
Other Special Instruction	100,753	191,120	251,150	214,258	184,533	146,322	221,610	256,409	293,224	298,575
Other Instruction								38,537	39,030	43,135
Support Services:										
Tuition	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589	3,076,798	3,073,629	4,423,854	5,576,032	6,192,453
Student & Instruction Related Services	804,638	914,846	989,597	1,014,815	1,275,515	983,800	972,983	894,425	1,032,447	1,004,569
General Administrative Services	514,439	571,125	610,072	620,560	650,002	480,481	428,427	257,273	277,127	182,504
School Administrative Services	215,981	228,072	240,438	247,220	251,253	291,950	323,544	321,521	323,614	328,411
Central Services								130,056	156,545	128,155
Administrative Information Technology								29,992	20,367	20,830
Plant Operations And Maintenance	649,144	706,809	900,136	869,046	873,092	694,832	698,610	645,944	672,496	673,900
Pupil Transportation	657,533	780,797	795,535	990,879	963,560	658,841	653,682	681,102	726,223	725,383
Unallocated Employee Benefits	1,847,148	2,332,209	2,580,383	2,595,768	2,714,870	2,564,104	2,799,639	2,666,250	2,676,282	2,774,880

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenditures:										
Capital Outlay	\$ 36,639	\$ 17,597	\$ 17,000	\$ 9,400	\$ 85,030	\$ 198,262	\$ 1,383,592	\$ 130,865	\$ 94,818	\$ 88,490
Debt Service:										
Principal	980,000	1,010,000	1,050,000	1,050,000	1,155,000	1,250,000	1,360,000	1,385,000	1,410,000	1,272,692
Interest And Other Charges	676,773	738,728	678,324	626,509	585,634	519,954	497,458	439,901	399,450	265,750
Total Expenditures	<u>13,120,061</u>	<u>14,085,458</u>	<u>15,300,514</u>	<u>15,586,743</u>	<u>16,009,772</u>	<u>15,117,246</u>	<u>16,563,544</u>	<u>16,497,490</u>	<u>17,789,028</u>	<u>18,010,432</u>
Excess/(Deficiency) Of Revenues Over/ (Under) Expenditures	<u>245,058</u>	<u>(132,019)</u>	<u>(843,870)</u>	<u>(624,090)</u>	<u>(987,304)</u>	<u>698,835</u>	<u>(736,872)</u>	<u>(356,020)</u>	<u>(79,320)</u>	<u>138,883</u>
Other Financing Sources/(Uses):										
Bond Proceeds								1,000,000		
Refunding Bonds Issued										2,765,000
Bond Premium										25,526
Serial Bond Defeased										(2,650,000)
Bond Issuance Costs										(70,227)
Deferred Interest										(70,299)
Transfers Out				(4,434)						
Total Other Financing Sources/(Uses)				<u>(4,434)</u>				<u>1,000,000</u>		
Net Change In Fund Balances	<u>\$ 245,058</u>	<u>\$ (132,019)</u>	<u>\$ (843,870)</u>	<u>\$ (628,524)</u>	<u>\$ (987,304)</u>	<u>\$ 698,835</u>	<u>\$ (736,872)</u>	<u>\$ 643,980</u>	<u>\$ (79,320)</u>	<u>\$ 138,883</u>
Debt Service As A Percentage Of Noncapital Expenditures	12.7%	12.4%	11.3%	10.8%	10.9%	11.9%	12.2%	11.2%	10.2%	8.6%

Source: School District Financial Reports

Exhibit J-5

GREENWICH TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Interest on Investments	Refund of Prior Year Expenditures	Tuition	Donations	Recreation Club Fees	Miscellaneous	Total
2006	\$ 123,211	\$ 2,305	\$ 37,900	\$ 14,896	\$ 23,148	\$ 14,800	\$ 216,260
2007	190,832	19,793	35,451	9,260	20,434	18,914	294,684
2008	131,790		1,959	1,000	20,765	38,827	194,341
2009	36,393		47,900	13,646	28,390	47,348	173,677
2010	8,934	3,019	15,250	6,031		56,014	89,248
2011	2,989	38,895	2,500	1,980		33,390	79,754
2012	11,971	2,469	4,920			141,057	160,417
2013	6,322	10,665	19,289			49,596	85,872
2014	507		15,585			40,422	56,514
2015	382		43,484			29,544	73,410

Source: District Records

GREENWICH TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 3,244,500	\$ 464,024,890	\$ 11,269,300	\$ 2,399,700	\$ 76,932,100	\$ 14,698,000	\$ 572,568,490	\$ 8,993,660	\$ 2,042,711	\$ 574,611,201	\$ 1.220	\$ 656,944,800
2006	3,406,900	468,353,590	11,312,500	2,252,200	77,099,500	14,947,300	577,371,990	10,995,260	1,637,372	579,009,362	1.273	674,587,649
2007	4,047,000	470,971,990	11,579,300	2,201,200	87,616,600	14,947,300	591,363,390	11,359,760	1,624,174	592,987,564	1.283	810,621,323
2008	2,631,200	473,284,390	11,673,600	2,186,100	86,629,100	14,947,300	591,351,690	11,616,960	1,743,049	593,094,739	1.280	828,914,477
2009	1,878,700	474,696,200	11,730,800	2,217,500	88,422,900	14,947,300	593,893,400	11,705,250	1,764,241	595,657,641	1.283	835,757,738
2010	1,539,200	475,227,800	11,741,100	2,134,800	90,179,400	14,947,300	595,769,600	12,688,750	1,746,284	597,515,884	1.305	803,071,826
2011	2,265,100	476,841,900	11,692,900	1,825,400	91,303,500	14,947,300	598,876,100	13,260,050	1,605,686	600,481,786	1.348	763,817,299
2012	1,552,300	475,689,290	12,015,700	2,116,900	91,446,700	14,947,300	597,768,190	13,171,760	1,612,367	599,380,557	1.378	718,538,826
2013	1,552,300	476,715,790	11,490,900	2,106,900	90,038,300	14,947,300	596,851,490	13,545,860	1,474,600	598,326,090	1.403	698,679,281
2014	1,584,900	476,451,890	11,255,500	2,107,500	88,842,100	13,379,500	593,621,390	13,844,360	1,302,215	594,923,605	1.824	662,008,327

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per \$100

GREENWICH TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31,	Greenwich Township School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Greenwich Township	Library	Warren County	
2005	\$ 1.049	\$ 0.171	\$ 1.220	\$ 0.384	\$ 0.059	\$ 0.677	\$ 2.340
2006	1.125	0.148	1.273	0.398	0.068	0.761	2.500
2007	1.128	0.155	1.283	0.398	0.073	0.766	2.520
2008	1.128	0.152	1.280	0.414	0.073	0.778	2.545
2009	1.126	0.157	1.283	0.425	0.073	0.762	2.543
2010	1.122	0.183	1.305	0.455	0.065	0.759	2.584
2011	1.162	0.186	1.348	0.478	0.062	0.749	2.637
2012	1.190	0.188	1.378	0.480	0.040	0.775	2.673
2013	1.228	0.175	1.403	0.480	0.040	0.792	2.715
2014	1.646	0.178	1.824	0.482	0.040	0.859	3.205

Source: Municipal Tax Collector

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

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.

GREENWICH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2014	
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

	2005	
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

Exhibit J-9

GREENWICH TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 7,009,616	\$ 7,009,616	100.00%	-0-
2007	7,366,287	7,366,287	100.00%	-0-
2008	7,597,576	7,597,576	100.00%	-0-
2009	7,598,797	7,598,797	100.00%	-0-
2010	7,633,213	7,633,213	100.00%	-0-
2011	7,795,053	7,795,053	100.00%	-0-
2012	8,099,081	8,099,081	100.00%	-0-
2013	8,247,804	8,247,804	100.00%	-0-
2014	9,067,041	9,067,041	100.00%	-0-
2015	10,183,213	10,183,213	100.00%	-0-

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Bond Anticipation Notes (BANs)			
2006	\$ 16,350,000		\$ 16,350,000	8.57%	\$ 3,166
2007	15,495,000		15,495,000	7.61%	3,006
2008	14,445,000		14,445,000	6.74%	2,820
2009	13,395,000		13,395,000	5.98%	2,620
2010	12,240,000		12,240,000	5.58%	2,405
2011	11,005,000	\$ 1,864,800	12,869,800	5.10%	2,254
2012	9,645,000	1,864,800	11,509,800	4.50%	2,022
2013	9,260,000	864,800	10,124,800	3.79%	1,804
2014	7,850,000	864,800	8,714,800	3.17%	1,554
2015	6,692,308		6,692,308	2.45%	1,201

Source: School District Financial Reports

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General		Net General		
	Obligation	Deductions			
	Bonds		Outstanding		
2006	\$ 16,350,000	\$ -0-	\$ 16,350,000	2.85%	\$ 3,166
2007	15,495,000	-0-	15,495,000	2.68%	3,006
2008	14,445,000	-0-	14,445,000	2.44%	2,820
2009	13,395,000	-0-	13,395,000	2.26%	2,620
2010	12,240,000	-0-	12,240,000	2.05%	2,405
2011	11,005,000	-0-	11,005,000	1.84%	1,927
2012	9,645,000	-0-	9,645,000	1.61%	1,694
2013	9,260,000	-0-	9,260,000	1.54%	1,650
2014	7,850,000	-0-	7,850,000	1.31%	1,400
2015	6,692,308	-0-	6,692,308	1.12%	1,201

Source: School District Financial Reports

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

- a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data from the prior year.
- b Population data can be found in Exhibit J-14. This ratio is calculated using population for the prior calendar year.

Exhibit J-12

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes:			
Greenwich Township	\$ 1,130,000	100.00%	\$ 1,130,000
Other Debt			
Warren County	5,310,000	6.57%	<u>348,960</u>
Subtotal, Overlapping Debt			1,478,960
Greenwich Township School District Direct Debt			<u>7,655,000</u>
Total Direct And Overlapping Debt			<u><u>\$ 9,133,960</u></u>

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized valuation basis	
	2014	\$ 689,696,050
	2013	663,020,984
	2012	695,893,891
		\$ 2,048,610,925
Average Equalized Valuation of Taxable Property		\$ 682,870,308
Debt Limit (3% of average equalization value) ^a		\$ 20,486,109
Net Bonded School Debt as of June 30, 2015		6,794,166
Legal Debt Margin		\$ 13,691,943

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 23,827,014	\$ 22,718,021	\$ 21,705,236	\$ 20,768,196	\$ 20,486,109
Total Net Debt Applicable to Limit	12,971,658	11,611,658	10,226,658	8,816,658	6,794,166
Legal Debt Margin	\$ 10,855,356	\$ 11,106,363	\$ 11,478,578	\$ 11,951,538	\$ 13,691,943
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	54.44%	51.11%	47.12%	42.45%	33.16%

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 19,785,436	\$ 21,941,101	\$ 23,690,775	\$ 24,427,134	\$ 24,515,570
Total Net Debt Applicable to Limit	16,350,000	15,495,000	14,445,000	13,395,000	12,240,000
Legal Debt Margin	\$ 3,435,436	\$ 6,446,101	\$ 9,245,775	\$ 11,032,134	\$ 12,275,570
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	82.64%	70.62%	60.97%	54.84%	49.93%

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts.

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2006	5,154	\$ 203,541,768	\$ 39,492	2.70%
2007	5,123	214,469,272	41,864	2.50%
2008	5,112	224,043,624	43,827	3.30%
2009	5,090	219,231,390	43,071	6.00%
2010	5,711	252,329,113	44,183	6.10%
2011	5,692	255,787,096	44,938	5.70%
2012	5,613	267,010,410	47,570	8.90%
2013	5,608	275,016,320	49,040	9.30%
2014	5,572	273,250,880	49,040 **	5.50%
2015	5,572 *	273,250,880 ***	49,040 **	N/A

* - Latest population data available (2014) was used for calculation purposes.

** - Latest Warren County per capita personal income available (2013) was used for calculation purposes.

*** - Latest available population data (2014) and latest available Warren County per capita personal income (2013) was used for calculation purposes.

N/A - Information Unavailable

Source:

^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 municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

GREENWICH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF WARREN,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		2015
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

		2006
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

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

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction:										
Regular	58	51	61	65	59	45	47	46	46	49
Special Education	35	47	35	29	33	29	33	29	29	25
Support Services:										
Student & Instruction Related Services	16	14	20	18	15	13	14	15	14	15
General Administrative Services	5	4	5	5	5	2	2	2	2	2
School Administration	4	4	4	4	4	5	5	5	6	7
Central Services and Administrative Information Technology	3	3	3	3	2	2	2	2	1	1
Plant Operation and Maintenance	11	10	11	10	11	7	7	7	6.5	6.5
Total	<u>132</u>	<u>133</u>	<u>139</u>	<u>134</u>	<u>129</u>	<u>103</u>	<u>110</u>	<u>106</u>	<u>104.5</u>	<u>105.5</u>

Source: District Personnel Records

GREENWICH TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle				
2006	969	\$ 11,426,649	\$ 11,792	-0.10%	84	*	*	968.7	927.0	2.04%	95.70%
2007	986	12,319,133	12,494	5.95%	84	*	*	991.7	950.0	2.37%	95.80%
2008	999	13,555,190	13,569	8.60%	96	*	*	1,003.9	962.5	1.23%	95.88%
2009	983	13,900,834	14,141	4.22%	94	*	*	986.0	934.0	-1.78%	94.73%
2010	968	14,184,108	14,653	3.62%	90	*	*	974.8	922.4	-1.14%	94.62%
2011	903	13,149,030	14,561	-0.62%	77	*	*	905.8	868.9	-7.08%	95.93%
2012	870	13,322,494	15,313	5.16%	80	*	*	870.7	838.3	-3.88%	96.28%
2013	854	14,541,724	17,028	11.20%	77	*	*	854.2	821.6	-1.90%	96.18%
2014	816	15,884,760	19,467	14.32%	75	*	*	811.9	786.2	-4.95%	96.83%
2015	817	16,383,500	20,053	3.01%	74	*	*	811.5	779.3	-0.05%	96.03%

Note: Enrollment based on annual October district count.

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

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

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

d The cost per pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

* Pupil/Teacher Ratio based on School Report Card data -- Not available

Source: School District records

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>District Building</u>										
Elementary										
Greenwich (2001)										
Square Feet	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146
Capacity (students)	720	720	720	720	720	720	720	720	720	720
Enrollment	690	690	687	669	661	584	557	546	505	520
Middle School										
Stewartsville (1969)										
Square Feet	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815
Capacity (students)	400	400	400	400	400	400	400	400	400	400
Enrollment	279	279	312	314	307	319	313	308	311	297

Number of Schools at June 30, 2015

 Elementary = 1

 Middle School = 1

Note: Year of original construction is shown in parentheses.

 Enrollment is based on the annual October district count.

Source: District records

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures:
 Required Maintenance for School Facilities
 11-000-261-XXX

<u>School Facilities</u>	<u>Project #</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Stewartsville School	070	\$ 28,383	\$ 33,833	\$ 39,520	\$ 40,706	\$ 48,729	\$ 48,729	\$ 48,729	\$ 20,076	\$ 55,804	\$ 52,738
Greenwich School	999	46,308	55,202	64,480	65,394	79,506	2,994	44,297	29,401	40,227	12,412
Grand Total		<u>\$ 74,691</u>	<u>\$ 89,035</u>	<u>\$ 104,000</u>	<u>\$ 106,100</u>	<u>\$ 128,235</u>	<u>\$ 51,723</u>	<u>\$ 93,026</u>	<u>\$ 49,477</u>	<u>\$ 96,031</u>	<u>\$ 65,150</u>

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

Source: School District Records

GREENWICH TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
UNAUDITED

		<u>Coverage</u>	<u>Deductible</u>
School Package Policy - SAIF:			
Property - Blanket Building and Contents	(Fund Aggregate)	\$ 250,000,000	\$ 2,500
Comprehensive General Liability		5,000,000	1,000
Comprehensive Automobile Liability		5,000,000	1,000
Workers' Compensation		5,000,000	1,000
Crime - AIG:			
Employee Dishonesty		400,000	1,000
Money & Securities		2,500,000	1,000
Forgery		50,000	1,000
Computer Fraud		50,000	1,000
Surety Bonds - Selective Insurance Co.:			
Treasurer of School Monies		193,000	
Business Administrator		195,000	

Source: District Records

SINGLE AUDIT SECTION



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

Lawrence Business Center
 11 Lawrence Road
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Report on Internal Control Over Financial Reporting and
 on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

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

We have audited, in accordance with the 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), 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 Greenwich Township, in the County of Warren (the "District") as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 24, 2015.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the 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.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
Page 2

Compliance and Other Matters

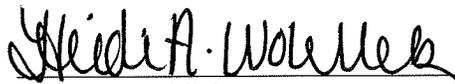
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 24, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant



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Report on Compliance For Each Major State Program:
 Report on Internal Control Over Compliance Required by OMB Circular A-133
 and New Jersey's OMB Circulars 04-04 and 15-08

Independent Auditors' Report

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

Report on Compliance for Each Major State Program

We have audited the Board of Education of the Greenwich Township School District's (the "District's") compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2015. The District's major state programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 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 state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the District 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 state programs for the fiscal year ended June 30, 2015.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
Page 2

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB 04-04 and 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 District's internal control over compliance.

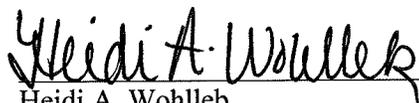
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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 or NJOMB 04-04 and 15-08. Accordingly, this report is not suitable for any other purpose.

November 24, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) June 30, 2014	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expendit- ures	Budgetary Basis		
									Unearned Revenue June 30, 2015	(Accounts Receivable) June 30, 2015	Due to Grantor June 30, 2015
U.S. Department of Agriculture											
Passed-through State Department of Agriculture:											
Child Nutrition Cluster:											
Food Distribution Program	10.555	N/A	7/1/14-6/30/15	\$ 11,008		\$ 11,008	\$ (9,594)	\$ 1,414			
Food Distribution Program	10.555	N/A	7/1/13-6/30/14	8,613	\$ 4,113		(4,113)				
National School Lunch Program	10.555	N/A	7/1/14-6/30/15	33,451		30,978	(33,451)		\$ (2,473)		
National School Lunch Program	10.555	N/A	7/1/13-6/30/14	37,225	(6,101)	6,101					
Total Child Nutrition Cluster					(1,988)	48,087	(47,158)	1,414	(2,473)		
Total U.S. Department of Agriculture					(1,988)	48,087	(47,158)	1,414	(2,473)		
Special Revenue Fund:											
NCLB Consolidated:											
Title I	84.010	NCLB-1840-15	7/1/14-6/30/15	40,131		40,131	(40,131)				
Title I	84.010	NCLB-1840-14	7/1/13-6/30/14	43,108	(11,353)	11,353					
Title II, Part A	84.367A	NCLB-1840-15	7/1/14-6/30/15	9,986		9,986	(9,986)				
Title II, Part A	84.367A	NCLB-1840-14	7/1/13-6/30/14	11,345	(1,738)	\$ 219	1,519				
Title II, Part A Carryover	84.367A	NCLB-1840-13	9/1/12-8/31/13	9,599	219	(219)					
Special Education Cluster:											
I.D.E.A. Part B, Basic	84.027	IDEA-1840-15	7/1/14-6/30/15	149,068		149,068	(149,068)				
I.D.E.A. Part B, Preschool	84.173	IDEA-1840-15	7/1/14-6/30/15	10,059		10,059	(10,059)				
I.D.E.A. Part B, Preschool	84.173	IDEA-1840-14	7/1/13-6/30/14	10,557	(4,417)	4,417					
I.D.E.A. Part B, Preschool Carryover	84.173	IDEA-1840-13	9/1/12-8/31/13	11,161	(11,122)	11,122					
Total Special Education Cluster					(15,539)	174,666	(159,127)				
Total Special Revenue Fund					(28,411)	237,655	(209,244)				
Total U.S. Department of Education					(28,411)	237,655	(209,244)				
Total Federal Awards					\$ (30,399)	\$ -0-	\$ 285,742	\$ (256,402)	\$ 1,414	\$ (2,473)	\$ -0-

N/A - Not Applicable/Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance (Accounts Receivable) June 30, 2014	Cash Received	Budgetary Expenditures	Balance at June 30, 2015		MEMO	
							GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable June 30, 2015	Cumulative Total Expenditures
State Department of Education:										
<u>General Fund:</u>										
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	\$ 4,770,510		\$ 4,302,450	\$ (4,770,510)			\$ 468,060	\$ 4,770,510
Equalization Aid	14-495-034-5120-078	7/1/13-6/30/14	4,770,510	\$ (465,487)	465,487					4,770,510
Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	198,562		179,080	(198,562)			19,482	198,562
Transportation Aid	14-495-034-5120-014	7/1/13-6/30/14	198,562	(19,375)	19,375					198,562
Special Education Categorical Aid	15-495-034-5120-089	7/1/14-6/30/15	699,575		630,936	(699,575)			68,639	699,575
Special Education Categorical Aid	14-495-034-5120-089	7/1/13-6/30/14	699,575	(68,262)	68,262					699,575
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	90,234		81,381	(90,234)			8,853	90,234
Security Aid	14-495-034-5120-084	7/1/13-6/30/14	90,234	(8,805)	8,805					90,234
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	121,995		110,025	(121,995)			11,970	121,995
School Choice Aid	14-495-034-5120-068	7/1/13-6/30/14	105,729	(10,316)	10,316					105,729
Under Adequacy Aid	15-495-034-5120-096	7/1/14-6/30/15	66,207		59,711	(66,207)			6,496	66,207
Under Adequacy Aid	14-495-034-5120-096	7/1/13-6/30/14	66,207	(6,460)	6,460					66,207
District Reimbursement for Extraordinary Costs	15-100-034-5120-473	7/1/14-6/30/15	133,865			(133,865)	\$ (133,865)		133,865	133,865
District Reimbursement for Extraordinary Costs	14-100-034-5120-473	7/1/13-6/30/14	147,944	(147,944)	147,944					147,944
Nonpublic Transportation Costs	15-495-034-5120-014	7/1/14-6/30/15	5,411			(5,411)	(5,411)		5,411	5,411
Nonpublic Transportation Costs	14-495-034-5120-014	7/1/13-6/30/14	10,190	(10,190)	10,190					10,190
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	11,465		10,340	(11,465)			1,125	11,465
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	11,465		10,340	(11,465)			1,125	11,465
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	7/1/14-6/30/15	325,374		309,371	(325,274)	(15,903)		15,903	325,374
Total General Fund				<u>(736,839)</u>	<u>6,430,473</u>	<u>(6,434,563)</u>	<u>(155,179)</u>		<u>740,929</u>	<u>12,523,614</u>
Schools Development Authority:										
<u>Capital Projects Fund:</u>										
SDA Grant - Drainage	1840-040-10-1001	N/A	57,237	(43,908)	43,908					43,908
SDA Grant - Window Replacement	1840-040-10-1002	N/A	110,628	(104,859)	104,859					104,859
SDA Grant - Roof Replacement	1840-040-10-1003	N/A	595,077	(482,070)	482,070					482,070
Total Capital Projects Fund				<u>(630,837)</u>	<u>630,837</u>					<u>630,837</u>
<u>Debt Service Fund:</u>										
Debt Service Aid Type II	15-495-034-5120-125	7/1/14-6/30/15	555,425		555,425	(555,425)				555,425
Total Debt Service Fund					<u>555,425</u>	<u>(555,425)</u>				<u>555,425</u>
<u>Enterprise Fund:</u>										
State School Lunch Program	15-100-010-3350-023	7/1/14-6/30/15	1,733		1,605	(1,733)	(128)		128	1,733
State School Lunch Program	14-100-010-3350-023	7/1/13-6/30/14	1,711	(279)	279					1,711
Total Enterprise Fund				<u>(279)</u>	<u>1,884</u>	<u>(1,733)</u>	<u>(128)</u>		<u>128</u>	<u>3,444</u>
Total State Awards				<u>\$ (1,367,955)</u>	<u>\$ 7,618,619</u>	<u>\$ (6,991,721)</u>	<u>\$ (155,307)</u>	<u>\$ -0-</u>	<u>\$ 741,057</u>	<u>\$ 13,713,320</u>

N/A - Not Applicable/Available

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Greenwich Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2015. The information in these schedules is presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States, Local Governments and Non-Profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net assets or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent 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 June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A.-18A:22-44.2. For GAAP purposes, these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$7,045) for the general fund, and \$1,462 for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension Contributions and Post Retirement Contributions revenue of \$252,733 and \$401,212 respectively. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 7,081,463	\$ 7,081,463
Special Revenue Fund	\$ 210,706		210,706
Debt Service Fund		555,425	555,425
Food Service Fund	47,158	1,733	48,891
Total Awards	<u>\$ 257,864</u>	<u>\$ 7,638,621</u>	<u>\$ 7,896,485</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2015. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circulars 04-04 and 15-08 or Section 510(a) of Federal OMB Circular A-133.
- The District was not subject to the single audit provisions of Federal OMB Circular A-133 for the fiscal year ended June 30, 2015 as federal grant expenditures were less than the single audit threshold of \$500,000 identified in the Circular.

- The District's programs tested as major state programs for the current fiscal year consisted of the following state aid:

	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>State:</u>				
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	\$4,770,510	\$ 4,770,510
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	90,234	90,234
Special Education				
Categorical Aid	15-495-034-5120-089	7/1/14-6/30/15	699,575	699,575
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	121,995	121,995
Under Adequacy Aid	15-495-034-5120-096	7/1/14-6/30/15	66,207	66,207
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	11,465	11,465
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	11,465	11,465
Reimbursed TPAF Social				
Security Contributions	15-495-034-5095-002	7/1/14-6/30/15	325,374	325,374
Debt Service Aid Type II	14-495-034-5120-125	7/1/14-6/30/15	555,425	555,425

- The threshold used for distinguishing between Type A and Type B state programs was \$300,000.
- The District was determined to be a "low-risk" auditee for state programs.

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

Summary of Auditors' Results (Cont'd):

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

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

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 510(a) of the federal circular and NJ OMB 04-04 and 15-08.

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

Status of Prior Year Findings:

The District had no prior year audit findings.